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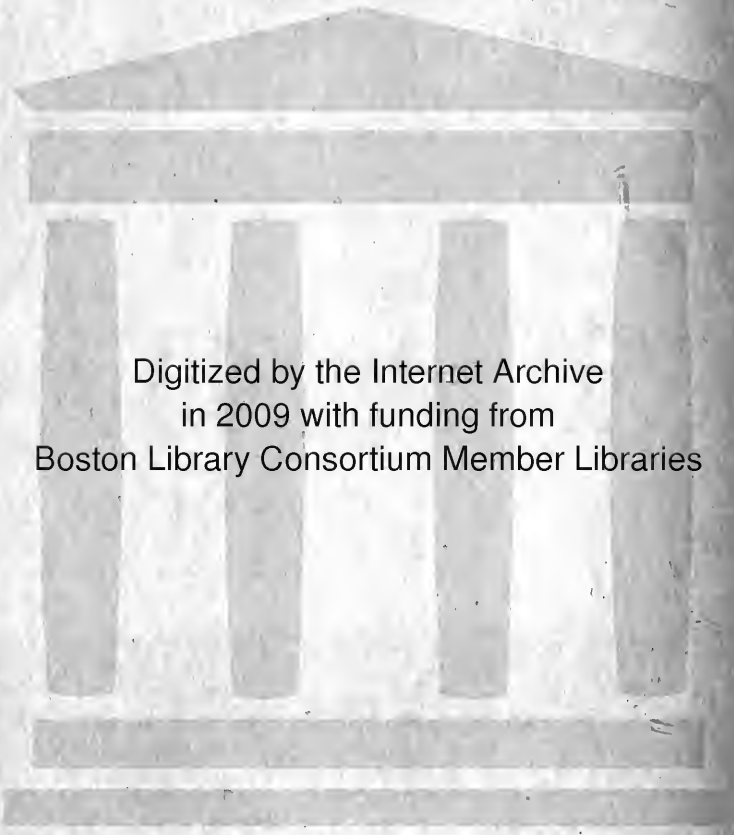
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THE GOVERNOR OF THE
**VIRGIN
ISLANDS**

TO THE SECRETARY OF THE INTERIOR
FOR THE FISCAL YEAR ENDED JUNE 30

1962
Annual Report



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THE GOVERNOR OF THE
Virgin Islands

TO THE SECRETARY OF THE INTERIOR
FOR THE FISCAL YEAR ENDED JUNE 30



Annual Report
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UNITED STATES
DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, *Secretary*

TERRITORY OF THE VIRGIN ISLANDS

RALPH M. PAIEWONSKY, *Governor*

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, D.C.

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1962 Annual Report of the Governor of the Virgin Islands

Ralph M. Paiewonsky, *Governor*



FISCAL year July 1, 1961 to June 30, 1962 was a year in which tremendous progress was made in the Virgin Islands on all fronts—political, social, economic—as this Annual Report will show. This progress took work—plain, hard work on the part of the executive branch of the government, the legislative branch of the government, and on the part of the people. It also required and received the cooperation and understanding of local problems by the officials of the Department of the Interior.

During the year the Governor appointed an Economic Development Board consisting of Government officials and private business and Government representatives to prepare an Overall Economic Development program to make the Virgin Islands eligible for financial assistance under the U.S. Area Redevelopment Act. By the end of the fiscal year a comprehensive report was submitted to the Governor and forwarded to the U.S. Area Redevelopment Administrator. This report details the economy of the islands, bases for economic growth, and sets forth the major problems of housing, public works, tourism, education, industry, trade, transportation, agriculture, hospitals and public health. It spells out the three major problems of housing, water and electricity which are typified in all aspects and phases of living and working in the islands.

In the field of Housing, the number one problem of the islands, advances include the appointment of a Housing Coordinator; establishment of a local office of the Federal Housing and Home Finance Agency; renovation of public villages in St. Croix; commencement of a resettlement project in one of the worst slum areas; and, at year's end, the creation of a new Department of Housing and Community Renewal.

A concerted effort was made to stimulate a program of land and home development. In emergency housing considerable progress was made in St. Thoms, and in St. Croix over 80 families evicted from private estates were relocated on government-owned land. Applications were filed with the Housing and Home Finance Agency for Federal

funds for urban planning assistance and for a community renewal program. The enactment of a zoning and subdivision law—for the first time in these islands—made the islands eligible for such Federal aid. As a result of representations made by the Governor, a U.S. Housing and Home Finance Agency Office was established in the islands with an Assistant Regional Administrator for Virgin Islands Operations. There has been an encouraging response from the banking institutions of the islands to appeals to make more credit facilities available for housing programs.

The shortage of fresh water has always been a serious problem and a handicap to the development of industry and tourism. Water is also a vital need for the health, comfort, and well-being of the people who live and work in the islands.

A new salt water distillation plant, built by the Virgin Islands Corporation on the island of St. Thomas, was completed and provides over 275,000 gallons of fresh water a day. The use of fresh water in St. Thomas increased substantially, about double the capacity of the distillation plant, making it necessary to continue the round-the-clock haul from Puerto Rico. Plans for a larger distillation plant are under active consideration.

In St. Croix the exploration for underground water met with success. Thirty-nine wells were drilled, of which 30 were successful. Six of these wells will provide 300,000 gallons per day of additional water supply for the residents of Christiansted, while other wells in the western end of the island will provide the additional water requirements for the people in the Frederiksted area. Under an arrangement with the United States Geological Survey Division of the Department of the Interior a further program for continued exploration and evaluation of the underground water potential is being pursued in all three islands. A geologist has now been stationed in the islands on a permanent basis to supervise and carry out this program.

During the fiscal year the problem of the supply of electrical power, which is generated and distributed by the Virgin Islands Corporation, continued to be urgent and critical in the Virgin Islands as a whole, but particularly on the island of St. Thomas. The major problem faced by the corporation's power division is its difficulty in obtaining sufficient financing of a capital nature to keep pace with the extremely rapid growth of the islands and with the concomitant high rate of increase in power consumption.

The breakdown during the year of the then largest piece of generating equipment in the St. Thomas power station (a 2,500 kilowatt diesel engine) caused serious outages throughout the island of St. Thomas. The situation was fortunately relieved by the installation during the year of a 3,000 kilowatt steam generating plant which did much

to correct the situation and which, as described above in this report, also provides the basic power for the production of 275,000 gallons of fresh water per day as a dual product. A 3,000 kilowatt diesel unit was also installed in St. Croix during the year, greatly ameliorating the situation in that island.

It is planned that an additional 3,000 kilowatt diesel engine will be installed in St. Thomas later in calendar 1962 or early in 1963. Longer range plans also call for the installation in St. Thomas of an additional 5,000 kilowatt steam engine and a 3,000 kilowatt diesel engine in St. Croix at a later date. Funds will have to be requested from the United States Congress by the corporation for the latter two units mentioned. The corporation has been assured by its power consultant that the acquisition and installation of these additional units will assure the Virgin Islands of firm power for the foreseeable future.

During the year the number of tourist visitors increased greatly. This growth has been phenomenal, whether measured by number of visitors or by estimated expenditures. An effective advertising and promotional program was inaugurated and carried out, highlighting the islands as a year round resort with wonderful climate, scenic beauty, Old World charm and atmosphere, excellent swimming and snorkeling, a free port with many well stocked gift shops, bargain prices, and a convenient place to come to where English is the official language. Hotels and guest houses were full during the winter season and continued with good business during the rest of the year. Shops and stores also experienced increased sales in spite of the many new ones that opened for business during the year. This increased business was shared by everyone. As a direct result, Customs dues increased from \$502,000 in the fiscal year 1961 to \$890,000 in fiscal year 1962. Expenditures by tourists leaped to approximately \$35,000,000, an increase of \$10,000,000 over the preceding year.

The National Park Service expanded and improved its facilities on the island of St. John and established the Buck Island Underseas Park, expected to become a prime visitor attraction on St. Croix.

These programs, together with the special \$200 Customs allowance for tourists generated unprecedented prosperity. Total revenues of the islands jumped to \$11,000,000—an increase of 25½ percent—the highest on record in the history of the territory, thereby permitting record operating and capital improvements budgets.

At present, tourism is the principal industry and of primary importance to the overall economy of the islands. While this is true, and while tourism will continue to be exploited to its fullest potential, it cannot, and should not be the islands' only industry. Prudence and wisdom dictate diversification. Small industries are being encouraged to establish, creating new job opportunities at higher wages.



Secretary Udall; Governor Paiewonsky and Mrs. Paiewonsky cutting ribbon dedicating the Buck Island Underseas Park on March 18, 1962.

The Industrial Incentive Act was revised in November 1961 for the purpose of attracting and encouraging private investment from the outside. In addition to this program, the big inducement to manufacturing firms is the provision contained in section 301 of the U.S. Tariff Act of 1930, as amended, which permits duty free entry into the United States of items of Virgin Islands manufacture containing foreign materials of not more than 50 percent of its total value.

Practically all manufacturing firms make use of this provision and ship the bulk of their goods to the United States. These small industries are engaged in manufacturing, processing, or assembling such diverse products as clothing, costume jewelry, watches, watch bands, thermometers, chemicals, aluminum jalousies, wool yarn and shower proofing of textiles. These concerns now employ about 864 persons with annual payrolls averaging \$2,100,000, and add strength and stability to the economy.

A major achievement was accomplished in attracting new industries to the islands when, with legislative concurrence, a contract was signed with the Harvey Aluminum Co., to build a \$25,000,000 plant in St. Croix to process bauxite into alumina. Besides the capital

investment in plant equipment and machinery, the company will employ 1,200 to 1,500 persons in various categories of employment during the construction period, which will take about 18 months. About 400 employees will be employed on a permanent year round basis to run the plant, with job opportunities for professional, executive, skilled and semiskilled workers, which will contribute substantially to a higher standard of living for the people of the Virgin Islands.

A major problem for consideration is the question of what to do about the Virgin Islands Corporation (a wholly owned Federal corporation) and its sugar operation, which seems to be plagued with increasing deficits year after year. A brief look into the history of this corporation reveals that in 1957 the Public Works Subcommittee of the Committee on Government Operations of the United States House of Representatives recommended that the next 3 to 5 years should be regarded as a period for testing the economic soundness of Vicorp's sugar operations and that the corporation should be continued in Government ownership during that time.

The Committee further recommended that Congress should study the results with the view of disposing of the sugar industry to private industry or to the territorial government, if it showed a profit and if reasonable safeguards could be agreed upon to protect the islands' economy, or with a view to setting up a program for the discontinuance of the operation and disposing of its assets if it continued to be unprofitable.

The 5-year testing period shows that the corporation sustained an average annual loss of some \$378,000. Also, the figures on employment show that the corporation is in the odd position of importing practically all of its labor force to harvest a crop which is being processed and marketed at a loss.

The Federal Government undertook the sugar operations on St. Croix in 1934 as a relief project to rescue a population economically stranded by bankruptcy of the major sugar factory. The sugar operation in St. Croix cannot justify itself financially on its past performance, which shows an average loss of \$378,000 over the last 5 years. Neither can it justify itself on the other premise for which it was created: that is, to provide employment for the natives of St. Croix.

Another important consideration is the fact that labor costs are constantly increasing and the need for higher wages and other increased costs of operation will tend to make the losses greater and greater each year. Since the sugar industry generally depends on cheap labor it will become extremely difficult to keep such an industry going without a very substantial subsidy, which must now come out of local government matching funds, which ordinarily would be

available for the building of additional schools, hospitals, and other public projects.

After careful study and proper consideration and evaluation of the facts and discussions with Congressional committees, and with the Legislature of the Virgin Islands, the Board of Directors of Vicorp will make a final determination based upon what will ultimately be best for the people of the Virgin Islands.

During this fiscal year steps were taken to upgrade educational standards at all levels. The professional staff in both elementary and secondary education has been strengthened and the necessary task of improving existing school plants and construction of new ones was commenced. Accreditation of the high schools of the islands has been fixed as a goal for the year 1964. After a year of study and intensive efforts, the College of the Virgin Islands became an accomplished fact. It will open on July 1, 1963 as a Junior College offering 2-year courses in liberal arts, and such other subjects as may be prescribed by the Board of Trustees, to about 100 students.

Medical services were strengthened by the addition of a modern annex to the hospital at St. Croix to meet the need of the out-patient clinics and the addition of an up-to-date formula room in the hospital in St. Thomas.

An apprenticeship and training program was started. The Home for the Aged in St. Croix was renovated and, with improved staff, is resulting in 100 percent improved care. An inspection of prisons was made by the Director of the U.S. Bureau of Prisons who recommended that a new and modern prison be built.

In public works, a contract was awarded for hauling garbage to the sea in St. Thomas. The money value of construction completed and initiated was \$6,945,000 on 40 projects, principal of which were six schools, airport extension on St. Thomas to handle turbo-prop planes, construction of a deep water pier at Frederiksted, and construction of a jet airstrip on St. Croix. Jet planes service from the mainland to the Virgin Islands commenced in June 1962.

A management survey and design for a new centralized accounting system were prepared to commence operation in July 1962. The income tax administration program was surveyed by the U.S. Internal Revenue Service and reorganization to improve tax collection services is in process.

A professionally directed real property reassessment program resulted in an increase of 44 percent in real property tax collections from \$348,000 in 1961 to \$503,000 in 1962. These taxes should increase well over 100 percent within 4 years.

President Kennedy and Secretary of the Interior Udall have stated publicly they are in favor of an elected governor for the islands, and legislation was recommended to the Congress to permit the people of the islands to elect their own governor. In sending a message to the Congress on this subject, the President noted that the Virgin Islands have demonstrated a maturity and a capacity for stable and responsible government.

Legislation

Cooperation and understanding between the Executive and Legislative Branches of the Government of the Virgin Islands were at an all-time high during the fiscal year. The following record of legislation is an indication of the responsible cooperation achieved between the two branches:

Six sessions of the legislature were held—three special sessions of the Fourth Legislature, July 14, 1961, October 23–30, 1961, December 4–5, 1961; the regular session of the Fourth Legislature, January 8–March 8, 1962, followed by special sessions on April 11, 1962 and June 6–13, 1962.

At the July 14, 1961 special session, three bills were proposed, adopted and approved. At the October 23–30, 1961, special session 24 bills were proposed, in addition to 3 resolutions. Adopted were 22 bills, of which 22 were approved and 2 bills referred to committee for further study. At the December 4–5 special session 4 bills and 1 resolution were proposed. All were adopted and the 4 bills approved.

At the regular session, January 8–March 8, 1962, there were 111 bills proposed, including 8 resolutions. Ninety bills were adopted, including 8 resolutions, 1 was withdrawn, 6 incorporated in other bills and 14 were referred to committee for further study. Seventy-seven were approved, 8 required no executive action, 5 were pocket vetoed and 1 was recalled.

There were three bills proposed, and one resolution at the April 11, 1962 special session. Four bills were adopted, of which three were approved and one required no executive action.

Thirty-six bills were proposed at the June 6–June 13, 1962 special session. Thirty-three were adopted, of which one required no executive action; three were referred to committee for further study; thirty-two were approved.



Under Secretary of the Interior James K. Carr; Congressman Wayne N. Aspinall, Chairman, House Interior and Insular Affairs Committee; Congressman Leo O'Brien, House Interior and Insular Affairs Committee; and Governor Ralph M. Paiewonsky, at the dedication of the new Salt Water Distillation Plant in St. Thomas, which produces 275,000 gallons of fresh water per day and furnishes 3,000 KW of electric power from a steam generating plant.

Important Legislation

Several important and significant pieces of legislation were passed, including the following:

1. Act No. 778, to create the Apprenticeship and Training Council.

2. Act No. 798, Relating to the Industrial Incentive program to plug loopholes in earlier programs, and to provide for further stimulation of the economy of the islands.

3. Act No. 800, to establish the Buck Island National Monument in St. Croix.

4. Act No. 801, to provide for zoning and subdivisions.

5. Act No. 814, to ratify and adopt an agreement relating to an Alumina Plant Development on the Island of St. Croix, for the purpose of encouraging and promoting the investment of at least \$25,000,000 of private capital in an alumina processing plant.

6. Act No. 816, to regulate the issuance of injunctions in labor disputes.

7. Act No. 819 relating to the Personnel Division, for the purpose of strengthening the Merit System for career government employees by providing for fair hearings before the Government Employees Service Commission in dismissal cases.

8. Act No. 834, the Joseph A. Gomez Homestead Exemption Act for the purpose of encouraging home ownership through a partial exemption from the payment of real property taxes.

9. Act No. 845, to raise the legal rate of interest on first priority mortgages on real estate from 6 to 7 per centum for the purpose of stimulating new mortgage money for housing construction.

10. Act No. 852, to establish the College of the Virgin Islands, the cardinal objectives of which shall be the stimulation and utilization of the intellectual resources of the people of the Virgin Islands and the development of a center of higher learning whereby and wherefrom the benefits of culture and education may be extended throughout the Virgin Islands, the Caribbean and other areas.

11. Act No. 855, to reorganize and establish the Department of Law.

12. Act No. 871, for the acquisition of land in several areas of Charlotte Amalie for resettlement of superfluous house occupants in owner-occupied dwellings.

13. Act No. 873, for the acquisition of land in St. Croix for the purpose of community development.

14. Act No. 903, to establish the Department of Housing and Community Renewal. This Act also provides for the Virgin

Islands Housing Authority and the Virgin Islands Urban Renewal Board with the head of the Department as chairman of both agencies for better coordination.

15. Act No. 902, to promote and regulate safety in the use and operation of motor boats.

Office of the Government Secretary

Act No. 819, Fourth Legislature, regular session 1962, provided for the transfer of the Division of Personnel to the Office of the Governor effective March 1, 1962. Except for this change, the duties and responsibilities of the Office of the Government Secretary remained the same as established by the Revised Organic Act of 1954 and the Virgin Islands Code of Laws.

The activities for the year included continuation of the important function of compiling and publishing the laws and regulations of the Government of the Virgin Islands such as the annual supplements to the code, rules and regulations, register, session laws, reports, and the enactments of the legislature in slip-law form. During the year, 140 acts and 14 resolutions of the legislature were filed with the Government Secretary's Office pursuant to law and were ordered printed in slip-law form.

The office conducted surveys and on-the-spot inspections to ensure coverage of all businesses by the appropriate license, and to determine to some degree the growth of the community as manifested by the increasing number of businesses and occupations. The following chart shows a comparison of licenses issued, and fees collected over the past four fiscal years:

Licenses issued and fees collected

| District | 1959 | | 1960 | | 1961 | | 1962 | |
|----------------|----------|-------------|----------|-------------|----------|-------------|----------|--------------|
| | Licenses | Fees | Licenses | Fees | Licenses | Fees | Licenses | Fees |
| St. Thomas | | | | | | | | |
| and St. John | 1165 | \$43,918.80 | 1227 | \$46,238.50 | 1393 | \$51,689.00 | 1514 | \$117,839.98 |
| St. Croix----- | 630 | 21,224.20 | 886 | 30,549.00 | 974 | 34,659.00 | 922 | 38,474.00 |
| Total----- | 1795 | \$65,143.00 | 2113 | \$76,787.50 | 2367 | \$86,348.00 | 2436 | \$156,313.98 |

Corporate activity also showed a steady increase in the number of new corporations registered, despite the fact that there has been an increase in the number of corporations dissolved or withdrawn. During the year total corporate franchise taxes collected amounted to \$20,128.00 as compared with \$16,464.00 in 1961. Other corporation

fees collected during the fiscal year totaled \$12,458 as compared with \$11,874 in the preceding year.

| | 1959 | | 1960 | | 1961 | | 1962 | |
|---|---------|----------|---------|----------|---------|----------|---------|----------|
| | Foreign | Domestic | Foreign | Domestic | Foreign | Domestic | Foreign | Domestic |
| Certificates of incorporation issued..... | 5 | 82 | 8 | 111 | 14 | 115 | 17 | 166 |
| Certificates of amendments issued..... | | 8 | 1 | 30 | 1 | 24 | 2 | 30 |
| Dissolutions..... | | 2 | | 4 | | 3 | | 12 |
| Withdrawals..... | 2 | | | | 2 | | 2 | |
| Mergers..... | | | | | | 2 | | 3 |
| Surrender of corporate rights..... | | | | | | | | 3 |

Trademark and patent activity in 1962 increased to 24 registrations and \$1,305 in collected fees as against 12 registrations and \$810 in fees during 1961.

The Office of the Government Secretary continued the preparation and issuance of all passports in accordance with the rules and regulations prescribed by the U.S. Department of State. During the fiscal year, 199 passports were issued, 28 were renewed, 9 were amended, and 1 was extended, a total of 237 passport actions to compare with 252 for last year.

There were 68 insurance agent's licenses issued during the year as compared with 47 in the preceding year. The following is a comparative table of taxes and fees collected for the past four fiscal years.

| | 1959 | 1960 | 1961 | 1962 |
|--|------------|------------|------------|------------|
| Renewal of certificates of authority and original registrations..... | \$1,538.50 | \$1,651.00 | \$1,951.00 | \$3,076.00 |
| Agent's licenses..... | 1,831.00 | 1,521.00 | 2,111.00 | 2,821.86 |
| Broker's licenses..... | | | 100.00 | |
| Gross premium taxes..... | 5,079.08 | 6,002.95 | 12,316.87 | 12,784.86 |
| Filing annual statements..... | 101.00 | 98.50 | 126.00 | 151.00 |
| Filing power of attorney..... | 15.00 | 15.00 | 45.00 | 145.00 |
| Booklet of insurance laws..... | | | 51.00 | 61.00 |
| Solicitor's licenses..... | | | | 200.00 |
| Total..... | 8,564.58 | 9,888.45 | 16,700.87 | 19,239.72 |

The Board of Control of Alcoholic Beverages prescribed and enforced the regulations pertaining to distilled spirits. The high standard of rums produced in the Islands must be maintained because of the importance of the rum industry to the local economy. United States excise taxes on rum and other products contributed \$7,761,935 in revenues to the Virgin Islands Government in 1962 on the 741,260 proof gallons shipped.

The Sanitary Facilities Committee continued efforts to eliminate the antiquated and objectionable nightsoil removal service and replace it by connections to the modern sewer and sanitary disposal system.

While the housing shortage made it virtually impossible to relocate tenants occupying undesirable areas, nevertheless 55 applications were processed, 40 of which received loans totalling \$48,516 for the construction of proper sanitary facilities.

During the year the Government Secretary's Office was relieved of the program for construction of urgently needed emergency housing as this responsibility was coordinated with the office of special assistant to the Governor in charge of housing.

Office of the Tax Assessor

The real estate property tax reassessment project conducted by a private management consultant firm established an up-to-date system of real property evaluation and taxation. Act No. 834 approved March 15, 1962, provided homestead exemptions and Act No. 909, approved June 18, 1962, arranged to spread increases over a period of four years. While it is estimated that these laws will reduce real property tax collections by some \$160,000, it is expected that this program will bring an estimated \$629,854 in revenues from 1962 assessments, an increase of \$87,605 over taxes computed in 1961 assessments.

The following is a detailed table of assessments and taxes by islands:

Real property assessments

| | 1957 | 1958 | 1959 | 1960 | 1961 |
|-----------------|----------------|----------------|----------------|----------------|----------------|
| St. Thomas..... | \$13, 170, 900 | \$15, 053, 900 | \$16, 846, 500 | \$28, 939, 384 | \$28, 432, 438 |
| St. Croix..... | 11, 179, 102 | 12, 329, 066 | 13, 020, 298 | 27, 391, 290 | 29, 135, 558 |
| St. John..... | 598, 400 | 662, 700 | 642, 956 | 1, 890, 266 | 2, 016, 358 |
| Total..... | 24, 948, 402 | 28, 045, 666 | 30, 509, 754 | 58, 220, 940 | 59, 584, 354 |

Real property taxes

| | 1957 | 1958 | 1959 | 1960 | 1961 |
|-----------------|------------|------------|------------|------------|------------|
| St. Thomas..... | \$164, 637 | \$188, 175 | \$210, 581 | \$296, 228 | \$305, 456 |
| St. Croix..... | 139, 739 | 154, 113 | 162, 856 | 231, 908 | 304, 194 |
| St. John..... | 7, 480 | 8, 285 | 8, 037 | 14, 113 | 20, 204 |
| Total..... | 311, 856 | 350, 573 | 381, 474 | 542, 249 | 629, 854 |

Offices of the Recorder of Deeds—St. Thomas and St. Croix

The following is a comparative table of documents recorded during the last four fiscal years:

| Document | 1960 | | 1961 | | 1962 | |
|----------------------------------|------------|-----------|------------|-----------|------------|-----------|
| | St. Thomas | St. Croix | St. Thomas | St. Croix | St. Thomas | St. Croix |
| Deeds..... | 448 | 480 | 426 | 441 | 583 | 676 |
| Mortgages..... | 327 | 325 | 360 | 383 | 349 | 403 |
| Chattle mortgages..... | 70 | 113 | 116 | 144 | 236 | 166 |
| Conditional sales contracts..... | 863 | 59 | 886 | 106 | 1,040 | 161 |
| Cancellations and releases..... | 220 | 240 | 216 | 401 | 235 | 352 |
| Bills of sale..... | | | | | 11 | |
| Adjudications..... | 18 | 8 | 24 | 15 | 21 | 30 |
| Certificates of death..... | | 16 | 5 | 8 | 2 | 10 |
| Assignments..... | | | 35 | | | |
| Leases..... | | | 18 | | 43 | |
| Easements..... | | | 15 | | | |
| Liens..... | | | 34 | | 91 | |
| Miscellaneous..... | 116 | 119 | 86 | 132 | 119 | 297 |
| Certificates of attachment..... | | | | 107 | | 113 |
| Total..... | 2,062 | 1,360 | 2,221 | 1,737 | 2,730 | 2,208 |

Industrial Incentive Program

The Industrial Incentive program, geared over the past five years toward attracting industries to the Virgin Islands with the objective of providing large scale employment locally, was moderately effective and was scheduled to expire on December 31, 1961. However, the administration mindful of the problems and anxious to improve the economic opportunities for the people of the Virgin Islands conducted a study of the laws and policies governing the incentive program. Based on the findings, Act 798 was passed to extend the program, enlarge the number of eligible enterprises and remove the conflicts and ambiguities of the old law. It was hoped that these improvements would induce new industries to establish in the Virgin Islands. This may well have been the case, as in 1962 there were 76 tax exempt businesses as compared with 55 in the preceding year, and it attracted Harvey Alumina, a corporation with a demonstrable capital investment of \$1,000,000 and annual employment potential of 500 persons.

Division of Personnel

The Division of Personnel completed its fifteenth year of operation, having been created in 1947. Its work is concerned with performing centralized staff functions for the Government of the

Virgin Islands, in addition to providing departmental personnel services for the operating agencies of the executive branch. It also administers the local Retirement Law, and acts as liaison agency between the Territorial Government and the Federal Social Security Administration in matters relating to coverage of government employees.

During the past year the Division of Personnel was transferred by legislative action from the Office of the Government Secretary to the Office of the Governor, a change which had been contemplated by several past administrations.

Several significant pieces of legislation affecting personnel administration were enacted during the past year. A local unemployment insurance system was created, although employee benefit payments will not begin until 2 years hence. The powers of the five-member Government Employees Service Commission were expanded considerably so that the Commission now has final authority in deciding on employee appeals from dismissal, demotion, or suspension for more than 30 days. Veterans' preference in competitive examinations for employment was liberalized to permit claiming the 5 percent preference without first having to pass the particular examination. Another important piece of legislation permits any department head to recommend and the Governor to approve, the issuance of a noncompetitive classified service appointment to anyone who has served satisfactorily for a minimum of 60 days in an emergency or provisional capacity.

The Retirement Law was amended to provide a form of life insurance benefit whereby the surviving beneficiary who is not entitled to other benefits under the law is granted a cash payment, the amount of which is related to length of service and last salary of the deceased employee. The maximum payment is one full year's salary up to a maximum of \$7,500, where the employee had served for 10 years or more. Due to financial restrictions, no action has as yet been taken to relieve underfinancing of the retirement system by raising from 4 percent to 7.63 percent the Government's contribution as has been recommended by the consulting actuary.

The results of a pay plan study for which the Government contracted with a consulting firm are now available, and legislation is being prepared. The study, based upon community wage data, is the first of its kind in almost 10 years, and only the second such study since creation of the Personnel Division. Also included in the contract was a study for up-dating the personnel rules and regulations.

In another attempt to meet difficult recruitment, the government embarked on its first large-scale effort to provide housing for employees recruited outside of the Virgin Islands, thereby making quarters available in St. Thomas at reduced rentals to about 50 teachers. Along similar lines, legislative authority is being used to allow reimbursement of most normal expenses incurred by employees and their families traveling to the Virgin Islands to accept employment.

A depleted labor market made short by our rapid economic growth, our high cost of living which decreases attractiveness of our salaries, and our acute shortage of middle-income housing are still the major factors in making recruitment difficult, particularly for those professions and skills which must be recruited from outside. While the salary factor is important, especially to resident personnel, the housing and cost of living factors are the most serious in terms of attracting the skills and professions which are not produced by local educational and training facilities; and until these problems are rectified we will not be in a favorable competitive position to attract such employees to our Islands.

The following is a distribution of positions as to major occupational groups and also showing the total number of permanent employees of the Government of the Virgin Islands.

| | St. Thomas and St. John | St. Croix | Total |
|-------------------------------|----------------------------|-----------|-------|
| Clerical..... | 219 | 87 | 306 |
| Administrative..... | 92 | 37 | 129 |
| Supervisory..... | 5 | 5 | 10 |
| Professional..... | 290 | 200 | 490 |
| Subprofessional..... | 94 | 87 | 181 |
| Public Safety..... | 71 | 84 | 155 |
| Inspectional..... | 11 | 6 | 17 |
| Equipment operators..... | 38 | 34 | 72 |
| Trades and labor..... | 220 | 169 | 389 |
| Housekeeping..... | 84 | 81 | 165 |
| Food service..... | 69 | 53 | 122 |
| Farming and gardening..... | 3 | 0 | 3 |
| Total Classified Service..... | 1,196 | 843 | 2,039 |
| Unclassified Service..... | | | 222 |
| Total Virgin Islands..... | | | 2,261 |

Virgin Islands Planning Board

During the year the Planning Board prepared the zoning regulations which were enacted as subchapters III and IV of chapter 3, title 29 of the Virgin Islands Code. As provided therein, the Board also prepared zoning maps and subdivision regulations and held public

hearings thereon in Charlotte Amalie, Christiansted, Frederiksted, Cruz Bay, and Coral Bay.

The Board also prepared plans for waterfront improvement in Christiansted, and a marina at Enighed Lagoon in St. John.

In February a new Board was appointed in accordance with legislative changes in its organization, requiring legislative approval of members and making the Commissioner of Public Works ex-officio Secretary of the Board.

A contract was signed with the Housing and Home Finance Agency for an urban planning assistance grant of \$113,875, the first such grant in the Virgin Islands.

A contract was negotiated with Aero Service Corporation to produce maps of approximately one-half of the Virgin Islands for \$86,400.

By the end of the year all subdivision applications were being submitted to the Board.

The Board studied and approved the three Urban Renewal Plans for the Barracks Yard area in Charlotte Amalie, Water Gut area in Christiansted, and the Lagoon Street area in Frederiksted.

Office of the Probation Officer

During the year 130 defendants were investigated, representing an increase of 73 cases over the number of cases received in 1960-61. At the beginning of the fiscal year the case load was 46. From July 1, 1961 to June 30, 1962, 102 cases were received, making a total case load of 148 cases handled during the year. This office averaged about 65 cases under supervision monthly.

Twenty-six preparole reports were submitted to the Parole Board. The Probation Office also made 27 reports in connection with the Interstate Compact Administration on persons who had previously lived here, or were desirous of taking up residence here.

This office also supervised the activities of a total of 20 juveniles for a 6 months' period each by order of the Judge of the Municipal Court in St. Thomas. Although they were not formally placed on probation, nevertheless, they increased the work volume.

With the growing awareness of the role probation plays in the community, this office has been called upon to render additional services. Several reports were made in contempt cases for nonsupport payments.

*Department of Agriculture and Labor**St. Croix Agricultural Program*

The activities of this Division are organized to serve the increasing needs of the farmers engaged in this highly competitive industry.

In response to requests and complaints from farmers and citizenry, regarding the difficulties experienced in obtaining certain supplies and services necessary for successful farming, this division is a source of seeds and seedlings, fruit trees, fertilizer, insecticides, land preparation and technical advice.

These supplies and services are available to the public at cost. Duplication or competition with private business engaged in these services is avoided.

Through this service, many citizens have been able to establish small orchards of grafted mangoes, bananas, avocados, and many varieties of citrus fruits. Some farmers obtain their entire supply of seeds or seedlings from this agency.

During this year 63,149 pounds of vegetables were harvested from the crop trial at the station at Anna's Hope, St. Croix. Of the total amount harvested, 58,546 pounds were distributed to the government institutions. The remaining 4,603 pounds were used to supplement the swine feeding program.

The Swine Improvement and Production program got its start early in this year. Already, this program is meeting some of its short-run goals. Many citizens have secured baby pigs from our stock. Boars have given service to the sows of many farmers.

Most of the sows have given birth to at least one litter of pigs within their first year of life and some of the older sows have already weaned their second litter.

Loans to Farmers and Fishermen

This medium of credit became active at the close of this fiscal year. Over 20 farmers and fishermen, representing all three islands, received loans up to \$500 from funds appropriated for this purpose by the legislature.

Many of the recipients have purchased outboard motors and fishing traps to enable them to increase their fishing range. The farming applicants are purchasing irrigation pumps, and equipment for hog and poultry raising.

Soil Conservation Service

With the transfer of the Soil Conservation Service to this department from the Virgin Islands Corporation, a significant increase in water conservation and supply is anticipated. Pond construction to supplement the deficient water supply on the island of St. Thomas is being planned. It is also planned that the construction of additional ponds on the island of St. Croix will make an active contribution in the off-season production of vegetable crops.

In St. Thomas a survey will be made to determine two possible sites for the construction of ponds with a capacity of some 40,000,000 gallons each. It is projected that this amount of fresh water will serve a great need in the acute water shortage in St. Thomas and, at the same time, reduce the high cost of purchasing water elsewhere. It is anticipated that this program will be also extended to the island of St. John.

Wild Life

During the year 110 bird licenses and 53 deer licenses were processed.

St. Thomas Agricultural Program

The Dorothea Station in St. Thomas served the community through the sales of plants, insecticides, fertilizers, chemicals and technical advice. The maintenance and further beautification of the parks on this island were provided by this station.

Members of the staff worked closely with the Soil Conservation Board in several field extension projects such as land utilization, terracing, irrigation, and developing methods which would reduce the cost of production.

Parks and Beaches

Limpricht Park.—After many decades of depreciation and inactivity, and upon the request of the Land Marks League, this department undertook the rejuvenation of Limpricht Park in Christiansted.

This park was completely cleaned and redecorated with several hundred ornamental plants of many different varieties. Included among the new installations and decorations are lights, fountain, benches, concrete walks, painting of walls, fences and statue.

Cramer Park.—After an extensive improvement program by this department, the gate of Cramer Park was officially opened on June

7, 1961. Since opening day, 28,497 recreational seekers have passed through this gate. Since less than 1,000 persons attended Cramer Park prior to the park's administration under this department, this figure represents an increase 30 times greater than the past attendance.

The Frederiksted Waterfront.—The newly developed waterfront parkway in Frederiksted extends approximately 1,500 feet in length or $3\frac{1}{2}$ city blocks. The beautification of this area was accomplished by this department.

Other Parks.—Regular maintenance duties in the parks of St. Thomas, Christiansted, and Frederiksted were carried out. These duties include replacement planting, pruning, fertilizing, mowing of lawns, and painting when necessary.

Sugarcane Subsidy in St. Croix

This program functions in two forms of assistance to sugarcane producers:

1. A producer receives \$1 for each ton of sugarcane delivered to the factory. This form is limited to 2,000 tons per farmer.

2. A producer is eligible to receive \$50 for each new acre of sugarcane planted during a year. This form is limited to a maximum of 30 acres.

During this period 235 claims were processed.

Workmen's Compensation

During the year the Division of Labor received a total of 1,003 injury reports. There were 1,135 awards made representing compensation for disability, death, medical attendance, funeral expenses, and cost of publications with respect to death cases. The total figure, amounting to \$132,347.60, is broken down as follows:

| | |
|---------------------------------|-------------|
| Temporary total disability | \$52,997.03 |
| Permanent partial disability | 26,140.81 |
| Permanent total disability | 2,565.16 |
| Medical costs, including travel | 45,116.33 |
| Death compensation | 5,000.00 |
| Funeral expenses | 206.77 |
| Newspaper publications | 321.50 |

Industrial Safety

This phase of the Division's activities is supervised by two Safety Inspectors. They enforce special safety regulations in regard to safety in industry. During this fiscal year, compliance with such regulations has been generally good.

Wage and Hour Administration

During the period 70 complaints were filed with the Division with regard to wages, and a total of \$4,616.07 was recovered on behalf of the employees. An unrecorded number of minor complaints and inquiries were settled by on-the-job contacts and examination of payrolls.

The Insular Wage Board completed its study of the industries in the Virgin Islands during the year. As of June 30, four wage orders were in effect and Wage Order No. 5 had been forwarded to the Governor for approval.

Legislation

During the fiscal year under review, Act No. 791 was passed by the legislature and approved by the Governor providing, among other things, that the Insular Wage Board follow certain procedures in establishing minimum wages, such as fixing at least three categories in each industry. This Act also provided for a 5-day work week beyond which an employer must pay overtime rates, and for the determination of prevailing wage rates to be used by the Virgin Islands Employment Service in clearances for nonresident workers.

Labor Relations

Under the provisions of the Labor Relations Chapter of the Virgin Islands Code, the number of petitions filed by the labor organizations for certification was 14. In some instances, certification was made without an election where the union proved that more than 50 percent of any group wanted the union. Otherwise, elections were held by the secret ballot to determine the representative.

Office of Veterans Affairs

The Office of Veterans Affairs carried out its functions in the usual manner, educating veterans and their dependents with regard to their rights and privileges and filing of necessary claims for benefits.

There were 2,189 contacts made with the Director in and out of the office.

Services to enlisted personnel and their dependents have greatly increased, especially in St. Croix, due to the lack of Red Cross personnel.

Division of Apprenticeship and Training

Since the creation of this Division, the Director has started a survey of trades and industries to establish a priority status according to demands and the immediate interests in our communities.

Several conferences were held with representatives of the hotel industry, the construction industry, religious and civic groups, the Vocational Coordinator, Department of Education, and students of the high school.

The Apprenticeship and Training Council has approved a set of standards, and preparations are underway for placements in different trades.

Finance

Financial support of the varied activities of the Department of Agriculture and Labor amounted to \$256,691.76.

Department of Commerce

The Department of Commerce has expanded both in scope and activity since its inception May 1, 1961. Its aims have been to implement and support the ambitious and effective program of economic development undertaken by the administration.

The principal divisions of the Department are the Visitor's Bureau (renamed from the Division of Tourism), Division of Trade and Industry, and the Marine and Aviation Division.

The Department also operates the News Bureau, assists the Virgin Islands Rum Council, maintains Virgin Islands Government Information offices in New York City and San Juan, Puerto Rico, and cooperates closely with the Tourist Advisory and Trade Advisory Boards.

This stimulated and expanded program is now achieving results and has made the current fiscal year the most successful in Virgin Islands history from the standpoint of tourism.

Literature

Literature this year featured a new look, emphasizing the slogan, "1-2-3-Go to the Virgin Islands." This, with the "V I" image which has been devised as the symbol for the Virgin Islands, affords an effective set of selling material.

The Department had printed and distributed the new Vacation Adventure brochure, a shopping brochure in both English and Spanish, rate sheets for both summer and winter, the Three Island brochure, Pertinent Facts booklets, weather insurance policies, luggage stickers, postcards and posters. In addition, the Department prepares and prints a cruise ship list and issues a monthly News Bulletin to tourist interests, travel agents and transportation officials. Whenever necessary, this material is updated at each reprinting to keep it in line with changes in the Islands' tourist economy.

Publicity

Favorable and widespread publicity in all media has been a strong support for the Department's advertising and promotional efforts. The varied vacation appeals of the Islands stressed in newspapers, magazines, and on radio and television would have cost, if paid for at prevailing rates, more than \$5,000,000 during the fiscal year. The dedication of the new underwater National Park at Buck Island, St. Croix, earned favorable Virgin Islands mention and picture placements in newspapers around the world, two full color pages in Life Magazine and other feature articles in addition to radio and television coverage.

Visiting writers and photographers are helped on their visits and the News Bureau provides travel and other features for newspapers and magazines as well as hometown pictures of visitors. It also covers Department activities and works closely with other Government departments in assisting on publicity coverage.

Weather Insurance

A new promotion emphasizes the Virgin Islands' ideal year round weather. This was accomplished by interesting many of the hotels and guest houses to cooperate by guaranteeing free rooms for guests any day the mean temperature fell below 70°. Special "weather insurance policies" were printed and distributed. This unique "weather insured, pleasure insured" policy was stressed in a strong advertising program in newspapers, national magazines and travel trade publications.

Information Offices

For the convenience of prospective travellers and business interests, Virgin Islands Government Information Offices are maintained in New York City and San Juan, P.R.

The New York Office is at 16 West 49th Street in an attractive ground floor location in the heavily travelled Rockefeller Center complex. During the year this office handled 32,361 inquiries and distributed 75,742 units of literature. The staff maintains close personal contacts with travel executives and supplies information and coordinates promotional efforts. Similar service is provided by the Information Center in San Juan in recognition of the growing importance of the Puerto Rican market among residents of that Island as well as visitors and transient businessmen.

Cruise Ships

St. Thomas continued to hold its position as the most popular port of call for Caribbean cruise ships during the fiscal year. A total of 131 cruise vessels visited Charlotte Amalie, bringing 57,639 vacationers. Progress in this field is reflected in the fact that in 1951-52 only 12 ships, carrying 5,293 passengers, visited St. Thomas.

While the total number of ships decreased from 157 for fiscal year 1961 to 131 for fiscal year 1962, the number of passengers increased slightly from 57,470 in fiscal year 1961 to 57,639 in 1962. Due to permission granted American flag vessels to deviate from their normal runs without sacrificing regular subsidy payments, St. Thomas was favored with visits of such ships as the United States, America, Independence, Brazil, Argentina, and the Santa ships of the Grace Line.

| Month | Cruise ships | Passengers |
|-------------------|--------------|------------|
| July 1961..... | 6 | 2,221 |
| August..... | 8 | 3,037 |
| September..... | 1 | 417 |
| October..... | 5 | 2,087 |
| November..... | 8 | 3,119 |
| December..... | 14 | 5,976 |
| January 1962..... | 23 | 9,670 |
| February..... | 21 | 9,918 |
| March..... | 26 | 13,358 |
| April..... | 11 | 5,499 |
| May..... | 4 | 1,060 |
| June..... | 4 | 1,277 |
| Totals..... | 131 | 57,639 |

Tourist Visitors

A total of 291,100 visitors came to the Virgin Islands during the year, as compared with 254,700 for fiscal year 1961 and 203,400 for fiscal year 1960.

| <i>Air Traffic</i> | | <i>Cruise Ships</i> | |
|--------------------|---------|---------------------|--------|
| 1959-60 | 124,400 | 1959-60 | 49,700 |
| 1960-61 | 146,100 | 1960-61 | 57,470 |
| 1961-62 | 176,750 | 1961-62 | 57,638 |

Tourist Expenditures

Again utilizing 1951-52 as a base year, tourist expenditures in the Virgin Islands have increased more than sevenfold since that time. The 1951-52 figure was \$4,100,000. This fiscal year saw tourist expenditures totalling \$35,100,000, up from \$25,817,000 for fiscal year 1960-61.

Visitor's Bureau

The Visitor's Bureau, previously known as the Division of Tourism, was renamed during the present fiscal year. It is responsible for the development of tourist traffic to the Virgin Islands and for the overall supervision of vacationers and proper operation of resort facilities. There is an office in St. Thomas and one in St. Croix to accomplish these objectives.

Promotional Program

The Department's advertising campaign in all media was stepped up with effective results. Tourists interests and both air and sea carriers to the Islands cooperated to give this campaign more scope and impact. Supplemental tie-in campaigns with department stores and resort wear manufacturers were undertaken successfully. Newspaper advertising insertions were increased in proven markets and new areas opened with advertising campaigns in several new cities. Spot commercials were utilized on radio in New York City. Of particular note was the completion of a new promotional motion picture, in color and black and white, for showing on television and to serve as a tool in selling group promotion. Advertising in travel trade media also was accelerated with good results.

Virgin Islands Rum Council

The past fiscal year saw the first major effort by the Virgin Islands Government, through the Virgin Islands Rum Council, to promote its rums on a national scale. This has succeeded, as revealed in U.S. Treasury figures on excise taxes collected and returned to the Virgin Islands from rums shipped to the mainland during the last fiscal year. A record \$7,761,935 was returned to the Virgin Islands Treasury, an increase of \$841,493 over the previous year. Stepped up advertising had a beneficial impact on the liquor industry—the first insert was selected by the trade as “the best liquor advertisement of the year.” In addition, promotional material has been eminently successful and wide distribution is in progress.

Marine and Aviation Division

The Marine and Aviation Division functions to supervise and operate the Government-owned docks, wharves and airports, and has charge of registering and licensing small boats, both private and those for public hire. Completion of runway improvements at Alexander Hamilton Airport in St. Croix enabled that island to join the jet age on Saturday, June 9, 1962 when appropriate ceremonies welcomed the first scheduled jet airliner which is a forerunner to faster, more frequent and more convenient air transportation. New fueling facilities are now under construction and runways and taxiways are being improved.

Another important gateway to St. Croix was opened the following day, June 10, 1962, when the new 1,200-ft. deep-water pier at Frederiksted was officially dedicated. Enabling deep-draught vessels to tie alongside, the pier is convenient to the business district and enables commercial vessels to load and discharge cargoes directly without delays and demurrage of lightering.

Port of Charlotte Amalie

576 ships paid \$42,316 pilotage.

566 merchant ships totalled 2,576,724 gross tons.

148 Government ships totalled 1,102,020 gross tons.

Port of Christiansted

953 arrivals.

949 departures.

Port of Frederiksted

159 arrivals.

159 departures.

The following tables show traffic at the two airports:

Harry S. Truman Airport, St. Thomas

| | Landings | Passengers | |
|---|----------|------------|----------|
| | | In | Out |
| Caribbean Atlantic Airlines..... | 9, 102 | 176, 802 | 176, 997 |
| B.W.I.A. and Leeward Islands Air Transport..... | 1, 015 | 4, 764 | 4, 654 |
| Nonscheduled and private aircrafts..... | 3, 204 | 4, 404 | (1) |
| Military aircrafts..... | 1, 082 | 2, 689 | |
| Air taxi..... | 642 | 837 | |
| Total..... | 15, 045 | 189, 496 | 181, 651 |

¹ Not Available.

Alexander Hamilton Airport, St. Croix

| | Landings | Passengers | |
|--|----------|------------|--------|
| | | In | Out |
| Pan American World Airways..... | 291 | 8,038 | 8,034 |
| Caribbean Atlantic Airlines..... | 3,264 | 52,224 | 55,488 |
| Nonscheduled and private aircrafts..... | 2,592 | | |
| Military aircrafts..... | 2,000 | | |
| Passengers, nonscheduled and private planes..... | | 15,000 | 15,000 |
| Passengers, Military and Government planes..... | | 10,103 | 10,102 |
| Total..... | 8,447 | 85,365 | 88,624 |

Division of Trade

The Virgin Islands economy progressed during the year at a record pace. Economic indicators were a substantial increase of \$2.3 million in Government revenues; a healthy increase in employment and per capita income; a 25 percent rise in small manufacturing industries and payrolls; a substantial increase in imports; completion of a deep-water pier at Frederiksted, St. Croix, calculated to at least double shipping in the near future; opening of the jet airport at the Alexander Hamilton airport in St. Croix; lengthening of the Harry S. Truman Airport in St. Thomas to accommodate turbo-prop jets; operation of the first salt water distillation plant on St. Thomas which produces 275,000 gallons of fresh water daily, and the establishment in St. Croix of Harvey Aluminum Virgin Islands, Inc., a \$25 million industry which will employ some 1,500 workers during the construction period and 400 on a permanent basis upon completion of plant facilities.

Real estate sales throughout the Virgin Islands averaged one million dollars per month. Sectors of the economy, including trade, public services, transportation, finance and other services followed the general pattern of the increase.

Imports rose to \$50 million, an increase of 18.5 percent over the previous year. Exports on the contrary increased by only 10 percent for a total of \$9.1 million. Imports of raw materials and semifabricated products used in production accounted for the largest increase in imports, followed by motor vehicles, construction material, food and machinery, equipment and other capital goods which contribute to the productive capacity of the Virgin Islands economy. Shipments of raw sugar to the United States accounted for the highest increase in exports.

Personal income reflected an appreciable increase and the average income per family rose to approximately \$3,865 and income per capita to \$953. The apparent high family income is accounted for by the fact that in most instances both husband and wife work.

Accurate figures on the level of migration are not available. However, it is believed to be much lower than the average during the past 5 years. The estimated population increased by 1.5 percent during the year.

The Virgin Islands Employment Service disclosed that employment reached its highest level at the end of fiscal year 1962. There was also a remarkable increase in the number of employees receiving higher wages. Opportunities for employment at higher remuneration occurred in sectors of construction, trade and Government employment.

An appreciable portion of the rapid increase in economic activity during the year was attributed to the development of human and physical resources during the past 15 years. Virgin Islands workers, especially those employed in factories with incentive programs, demonstrated increased productivity. There was also a high rate of capital investment during the year.

Comparison of Imports and Exports

Total Trade 1955-61

| Year | Imports | Exports | Total trade |
|---------------------------------------|--------------|-------------|--------------|
| 1955..... | \$16,255,575 | \$4,116,053 | \$20,371,628 |
| 1956..... | 18,947,426 | 5,597,161 | 24,544,587 |
| 1957..... | 21,239,242 | 5,006,873 | 26,246,115 |
| 1958..... | 23,622,093 | 3,534,805 | 27,156,898 |
| 1959..... | 33,642,297 | 6,273,623 | 39,915,920 |
| 1960..... | 42,282,052 | 8,255,017 | 50,537,069 |
| 1961..... | 50,208,444 | 9,133,124 | 59,329,046 |
| Total imports from United States..... | | | \$38,725,786 |
| Total imports from foreign..... | | | 11,482,658 |
| Net total..... | | | 50,208,444 |
| Total exports to United States..... | | | 8,317,418 |
| Total exports to foreign..... | | | 815,706 |
| Net total..... | | | 9,133,124 |

Department of Education

The school year 1961-62 was a significant year for education in these islands. In many respects, it marked a turning point in the long history of education which dated back to 1841 when compulsory education first became law. The Department recognized the requirements for change brought about by the great social and economic developments which characterize this period in the Virgin Islands. It accepted and answered with positive action the tremendous challenge to educational leadership which the times presented. The year dramatized the unlimited opportunities for further educational growth

and service and showed that with proper support and active professional leadership, stimulation and encouragement, the rank and file of the teaching profession could and did live up to the challenge of the times.

As this report will show, the Department of Education made definite progress in solving the manifold problems which have plagued education over the years. It took giant steps in providing quality education for the people of the Virgin Islands.

The total appropriation for the operations of the Department of Education for the fiscal year 1962 amounted to \$2,649,743. This represented an increase of 21.98 percent over the previous year's operating budget.

The breakdown of local appropriations follows:

| Division | Appropriation | Percent of appropriation |
|-----------------------------------|---------------|--------------------------|
| Administration..... | \$173,750.00 | 6.6 |
| Educational programs..... | 1,965,425.00 | 74.2 |
| Community programs..... | 241,300.00 | 9.2 |
| Public recreation..... | (139,900.00) | (5.5) |
| Public libraries and museums..... | (87,200.00) | (3.2) |
| Vocational rehabilitation..... | (14,200.00) | (0.5) |
| Grant-in-Aid program..... | 140,200.00 | 5.2 |
| Special projects..... | 129,068.21 | 4.8 |
| Total..... | 2,649,743.21 | 100.0 |

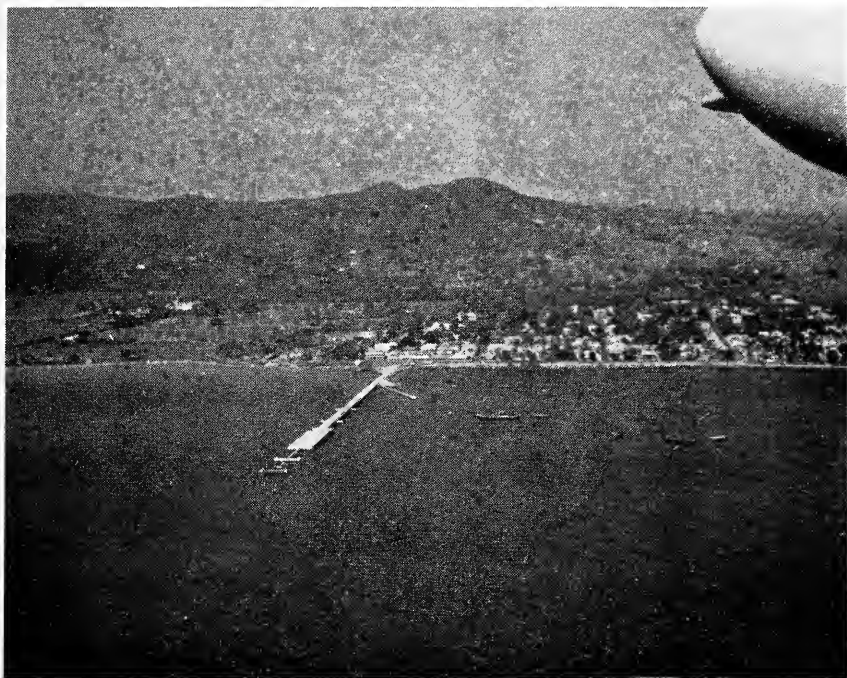
The Federal Government contributed on a matching basis \$49,029.30 under National Defense Education Act, \$62,340.09 for Vocational Education, \$11,382 for Rural Libraries, \$37,717 for School Lunch and \$27,497.81 for Vocational Rehabilitation. In addition, \$81,518 was received under Public Law 874 for federally affected areas.

In addition to the operating budget, funds for school improvement and additional classroom facilities were appropriated by the Virgin Islands Legislature. The total amount for fiscal year 1962 was \$420,000, details of which are included in another part of this report. To equip two new elementary schools in St. Thomas, \$105,000 was appropriated in 1962.

Personnel

The Department had a total of 555 positions authorized. The breakdown, as of January 15, 1962, follows:

| | |
|---|-----|
| Administration—all positions..... | 84 |
| Educational program—Professional..... | 289 |
| Educational program—Nonprofessional..... | 123 |
| Bureau of Recreation..... | 33 |
| Bureau of Public Libraries and Museums..... | 20 |
| Bureau of Vocational Rehabilitation..... | 6 |
| Total | 555 |



Frederiksted Pier, St. Croix. Built of concrete and steel under the Matching Funds Program and completed in June, 1962, at a cost of \$1,020,000. The pier extends 1,656 feet from the shoreline. The pierhead is 240 feet long and can accommodate vessels up to 33 feet draft.

The key to the success of any operation depends on the quality of its personnel as well as the adequacy of the number committed to it. A great deal of time was spent analyzing the strengths and weaknesses of the Department's professional and nonprofessional staff to determine whether the Department had the number and the kind of personnel necessary to perform its great tasks. The analysis revealed two major things: (1) the number of personnel was totally inadequate to do an effective job; and (2) a great deal of talent was not being used properly and effectively. The analysis found that there existed an unusually large pool of well trained and highly competent personnel whose latent talents remained untapped.

A number of key positions were established and competent personnel were hired to give the Department the necessary leadership. Four off-island educators were brought in to assist the Commissioner in revamping the school system and qualified Virgin Islanders were appointed to other key posts, wherever possible. A native of St. Croix was made Deputy Commissioner of Education. The Deputy served

as the Commissioner's chief representative in St. Croix, charged with the tasks of administering the educational program in the island.

The Department put considerable emphasis on in-service training programs. For the first time in many years, one-day teacher institutes were held in St. Thomas and St. Croix. Several workshops were also held for both professional employees and nonprofessional employees. The first workshops for custodial staff were conducted during the year in St. Thomas and St. Croix. In addition to the workshops and institutes, in-service training through an expanded program of supervision and conferences did much to improve the efficiency and effectiveness of personal services in every area of activity and every level of operation.

A major improvement worthy of note was the lifting of the general morale of the employees of the Department of Education. Several factors were responsible for the improvement of morale. The genuine interest, the moral and financial support given by the administration as a whole and by the Virgin Islands Legislature; the leadership rendered by the administrative and supervisory staff of the Department of Education; the interest exhibited by the Board of Education; and the general feeling that education, at last, was on the forward move, all contributed to the fine morale of the employees.

The Department devoted considerable time to the recruitment of teachers for the 1962-63 school year. There were over 100 positions to fill, 70 of which were new positions authorized in an effort to reduce pupil-teacher ratio to approximately one teacher for every 30 students. Over 1,000 inquiries from prospective teachers were answered.

Out-of-School Professional Activities

The Virgin Islands was honored to have one of its educators selected by the United States Department of State as one of twenty American educators to participate in an international seminar in Europe under the Fulbright program.

For the first time, educators from the Virgin Islands participated in the evaluation of mainland high schools for accreditation by the Middle States Association of Colleges and Secondary Schools. This was part of the program designed to familiarize the staff members with the accreditation process of the Middle States Association.

Several staff members participated in mainland professional conferences, including the 17th Annual Convention of the Association for Supervision and Curriculum Development in Las Vegas, Nev.; a conference on the school lunch program in Washington, D.C.; conferences on the manpower training program, called by the United

States Office of Education; and conferences on youth fitness, one held in Washington, D.C., the other in Michigan.

The Commissioner of Education took part in three mainland conferences. He was a member of the program committee of the Chief State School Officers Council for 1961-62 and took part in the Youth Fitness Conference held in Washington, D.C. The Commissioner spoke on the "Role of Education in a Free Society" as a seminar leader in a multi-nation conference held in St. Thomas, under the sponsorship of the Junior Chamber International. The Commissioner also served as a member of the Executive Committee of the College of the Virgin Islands. The Executive Committee was responsible for laying the groundwork for the College of the Virgin Islands, which was scheduled to open for instruction in July 1963.

Virgin Islands History Project

With the approval of the Governor, the Department of Education began on a project to prepare a "History of the Virgin Islands" for use in the public schools. A committee consisting of three laymen and seven educators was appointed by the Governor to assist the Project Director in the writing of a high school text. In addition to the high school history text, the Equity Publishing Co. of New Hampshire, in cooperation with the Project Director and the Governor's Committee, is also preparing a history text for use in the intermediate grades. Both texts were scheduled for use by the school year 1963-64.

Cultural Activities

The cultural activities of the Virgin Islands were enhanced by the visit of two off-island musical groups. The schools of the islands sponsored a variety of musical shows and plays. The high school bands from Charlotte Amalie High School and Christiansted High School were especially active during the year in many community programs.

The exhibit of children's art work in both St. Thomas and St. Croix was highly successful. Some 20 pieces of art work were sent to New York for exhibition at the Dorothy Yeppez Galleries, Saranac Lake, N.Y. Four won honors.

New Regulations

One of the major problems in the Department was the lack of basic policies, regulations and procedures governing many of its operations. The first revision and perhaps the most important in the long run, of these regulations during the year, therefore, was teacher certification.

A second regulation governing the use of school facilities and equipment by the public for other than school use was prepared and sent to the Board of Education for its review and action. A third one on personnel policies, regulations, and procedures was completed at the close of the year and was being forwarded to the Board of Education for its action. A set of administrative rules and procedures for purchasing was worked out in cooperation with the Department of Property and Procurement and put into effect early in the school year.

The federally aided programs also needed revisions to bring them up-to-date. After careful study and review, amendments to the State Plan on Title V, National Defense Education Act, having to do with guidance and testing, were approved by the Board of Education.

Financial Assistance to Students

The Department processed 135 applications for loans and financial assistance from students entering or enrolled in colleges and universities throughout the country and Puerto Rico. The sum of \$54,830 was loaned to 100 students. Eleven students received grants totalling \$5,275.

In addition to grants and loans to students, the Department subsidized two higher education programs in the Virgin Islands. The sum of \$30,000 was granted to Hampton Institute, Hampton, Va., to continue its on-island program of higher education which started in 1953. The sum of \$6,728 was awarded to students enrolled in the extension program of Catholic University of Ponce, P.R.

Building Programs

The school year 1961-62 saw the opening of 42 new elementary classrooms in St. Thomas—the first ones since the middle fifties. A two-classroom kindergarten school opened at Frenchtown, an eight classroom elementary unit opened in March 1962 at Nisky, and a 32-classroom elementary school was completed during the summer of 1962 and was scheduled to open in September.

During 1962 over \$1,500,000 for new classrooms and other school facilities was appropriated by the Legislature at the request of the Governor. While there is still a long way to go to solve the problem of classroom shortage, the year 1962 brought the first major effort in this direction.

Reorganization of the Department

One of the major problems of the Department of Education in recent years was the inadequacy of its organization. A major project

of the year, therefore, concerned the reorganization of the entire Department of Education. The Division of Curriculum and Instruction (formerly called the Division of Educational Programs), was expanded and strengthened and an educator who specialized in curriculum and instruction was recruited as Deputy Commissioner to head up the division. Secondly, all business and nonprofessional auxiliary services in the Department were consolidated into a new Division of Business and Auxiliary Services. A Virgin Islander was appointed Deputy Commissioner to head the division.

The reorganization resulted in classification of duties and responsibilities, consolidation and coordination of related activities, hence strengthening departmental operations.

Divisional Report of Activities

A. Division of Curriculum and Instruction

The Division of Curriculum and Instruction is concerned primarily with planning curriculum and administering the educational program in all schools in the Virgin Islands. As an auxiliary function, the division is also responsible for research and experiments in education, for pupil personnel services, for school library services, and for all other activities having to do with or related to the instructional program.

The division was completely reorganized and strengthened during the year by the addition of five new key subdivisions and especially by the establishment of five key professional administrative positions. At the beginning of the year, the division was staffed at the headquarters level by only two elementary supervisors, one kindergarten supervisor, two art supervisors and one music supervisor. By the end of the year, the division consisted of a Deputy Commissioner for Curriculum and Instruction, who headed the division, and five program directors as follows: one Director of Elementary Education; one Director of Secondary, Vocational and Adult Education; one Director of Pupil Personnel Services; one Director of School Library Services and Instructional Materials; and one Director of Educational Research and Statistics.

The supervisory staff was strengthened by the addition of a supervisor of science for the system, a primary school supervisor for St. Croix, and an education officer for St. John. These additions raised the supervisory staff to nine.

The educational program had for the first time a strong headquarters staff working exclusively on matters of education—planning,

evaluating, conducting and ever improving the important business of educating the children and youth of the Virgin Islands.

Schools and Enrollment.—There were 28 school units in the islands, three of which were junior-senior high schools. St. Thomas had one junior-senior high and ten elementary units. St. Croix had two junior-senior high schools and six elementary units. In St. John there were three elementary units. There were also four public kindergartens on St. Thomas which functioned as individual units, and two on St. Croix.

The total school enrollment, kindergarten through 12, in the public schools of the Virgin Islands at the close of the school year 1961-62 was 7,624. This represented an increase of 492, or 6.9 percent over the previous year and 214 over the enrollment figure at the beginning of the year, September 30, 1961.

June enrollment—1958 to 1962

| | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|--------------------------|---------|---------|---------|---------|---------|
| Kindergartens..... | 312 | 420 | 422 | 426 | 495 |
| Grades 1 through 6..... | 4,122 | 4,098 | 4,229 | 4,507 | 4,740 |
| Grades 7 through 12..... | 1,957 | 1,976 | 2,198 | 2,199 | 2,389 |
| Total..... | 6,391 | 6,494 | 6,849 | 7,132 | 7,624 |

Estimate for 1962-63 is 7,900; for 1967-68, 10,000—a 35 percent increase over 1962 enrollment.

Record Graduating Class.—The three public high schools graduated a record number of students in 1962: 158 from Charlotte Amalie High School, St. Thomas; 48 from Christiansted High School and 13 from Claude O. Markoe School, both in St. Croix. At the close of fiscal 1962, 41 graduates were reported to be headed for colleges in Puerto Rico and the United States mainland.

Budget for Curriculum and Instruction.—Since this is the primary division of the Department, 74.2 percent of the operating budget for 1962 was allocated to it. The appropriation for the year showed a 21.98 percent increase over the previous year.

General Improvement in Educational Programs.—Education at all levels of the school system showed marked improvement during the year as a result of a vigorous campaign to up-grade the quality of instruction throughout the Islands. A Deputy Commissioner for Curriculum and Instruction, a Director of Elementary Education, a Director of Secondary Education, and a Director of School Libraries and Instructional Materials were appointed to assist the Commissioner of Education and other department officials in directing and guiding the improvement programs. The activities by grade levels and programs follow:

(1) At the kindergarten level, a series of workshops, conducted by the Kindergarten Supervisor, enabled the teachers to share valuable experiences and to assist one another in evaluating and planning the entire program. New furniture, equipment, and materials heretofore unavailable were received during the year, contributing to the all-around improvement of the kindergarten program.

In St. Croix the Director of Elementary Education inaugurated a special 8-week summer program for preschool, non-English speaking Puerto Ricans. This was the first special effort taken to assist Puerto Rican students with the language problem. As expected the program proved to be quite successful, and plans were made to continue it as a permanent feature of the kindergarten program, especially in St. Croix where the problem of non-English speaking students is quite acute.

The public schools enrolled 495 kindergarten students under 15 full-time teachers. Parent-Teacher Associations were particularly active and showed considerable interest in school matters.

(2) At the elementary level the campaign to raise the level of instruction and improve the overall program took many forms. First of all, a series of meetings with all principals and administrative personnel were held to acquaint them with the improvement program. At these meetings emphasis was placed on the important role of the principal in the educational enterprise and the need for each of them to provide the leadership within the schools.

Early in the year a complete tour of all elementary schools was made by the elementary supervisors for the purpose of assisting principals and teachers in conducting orientation on the improvement program and in evaluating the schools to determine immediate needs. Upon completion of this initial phase, the need was obvious for guidelines for teachers. With the help of supervisors and teachers, bulletins were prepared stressing pertinent suggestions for the improvement of instruction. Following a second brief period of evaluation, every teacher agreed that the Language Arts needed major attention. With this basic understanding, teachers willingly assisted in developing teaching aids, in attending conferences, and in participating in study groups aimed toward the improvement on instruction in this area.

In addition to the stepped-up program of classroom supervision, teacher conferences and demonstrations, several workshops were held throughout the Islands. Among them was a 2-week health workshop conducted jointly by the Department of Health and the Department of Education. A one-day teachers' institute was held in St. Thomas and St. Croix on the teaching of Language Arts. Two science and Mathematics Workshops were conducted under the sponsorship of the National Science Foundation. The professional growth of the teach-

ers as a result of these workshops was reflected in the quality of performance in the classroom.

In an attempt to broaden the experience of students and to bring the benefits of mass media, the department increased its program of obtaining and using audio-visual aids. In a series of meetings the use of film strips, especially, was stressed during the years. The establishment of a Curriculum Materials Center will strengthen the program even more.

The Department inaugurated a long-range program of developing school libraries for every school. The elementary schools received by the end of the school year some \$16,000 worth of science and mathematics books and \$10,000 worth of other books. The appointment of a Director of School Libraries will enable the development of school libraries to proceed without a letup.

The work of the art supervisor of St. Thomas, especially in planning instruction in art and in integrating art with other subjects and learning experiences, was worthy of special note. The supervisor was most helpful in assisting teachers in the use of art as one means of creative experience for students. In addition to her work with teachers and students, two art exhibits were held in St. Thomas under her direction and supervision.

(3) *Secondary Education*.—The Department embarked on a vigorous program of improvement in the secondary schools designed to achieve accreditation for all three public high schools in the islands. Under the leadership of an educator who was contracted to guide the accreditation project, the schools began working on such important tasks as defining philosophies of education, establishing goals and purposes, revamping curriculum and improving quality of instruction, strengthening pupil personnel services and bringing physical facilities up to standard. At the invitation of the Commissioner, the Executive Secretary of the Secondary Commission of the Middle States Association of Secondary Schools and Colleges, and an official of the Secondary Commission of the Association visited the three schools to ascertain whether the schools were ready for regular evaluation. The joint report following the visit advised that the schools were ready for regular evaluation by a committee from the Middle States Association, and March 1963 as the time for the visit. By the end of the past school year most of the recommendations of the two-man team were carried to completion or near completion and others were being given top priority for action during the school year 1963. Accreditation by 1963-64 is a distinct possibility.

Specifically, the major improvements in the three high schools included the following:

(a) *Drafting Philosophy of Education*.—For the first time, the staff of the high schools worked together on determining a philosophy of secondary education.

(b) *Curriculum Study*.—Several faculty committees were formed and every phase of the curriculum was seriously examined. The result of the study was a comprehensive curriculum which allows for a great many more choices among elective courses than were possible under the old pattern. Music, art and physical education were expanded and Conversational Spanish was made available to all seventh graders for the first time. A training program for students interested in hotel and restaurant service occupations would be available by September 1963. The two larger high schools, Charlotte Amalie High School in St. Thomas, and Christiansted High School in St. Croix, were greatly improved as comprehensive high schools. Because of small enrollment, Claude O. Markoe High School was restricted to the academic program and prevocational education courses.

An important result of the revamping of the curriculum was the adoption of uniform requirements for graduation and the standardization of textbooks. This would enable students from one high school to transfer to another without undue hardship.

(c) *Improvement in Instruction*.—As part of the program to improve instruction, the procurement and distribution of instructional supplies, materials and equipment were greatly improved during the year. Acquisition of new modern equipment were in evidence everywhere, such as science equipment, electric typewriters, band instruments, library books, and art supplies. The in-service training of teachers also was increasingly activated through conferences, institutes, workshops, committees and the like. The high school teachers participated in a one-day workshop on the teaching of language arts. Science lectures and workshops under National Defense Education Act financing were of great value to science and mathematics teachers. A Foreign Language Consultant from the University of Miami was brought to the islands to evaluate the foreign language program (Spanish) and to assist teachers in improving their work. Three Spanish teachers were sent at government expense to summer institutes at colleges in Puerto Rico and the mainland. To render greater assistance to teachers in the classrooms on a regular basis, department heads in the larger high schools, especially, were given time off from teaching to devote some time to planning with teachers and supervising their work in the classrooms.

(d) *Guidance*.—The guidance program at the high school was strengthened by the addition of one guidance counselor at Claude O. Markoe High and a second one at Christiansted High. By the end of the period of this report, the Charlotte Amalie High School guidance

staff was increased from two to four, with a fifth one assigned exclusively to the seventh graders. Supervision of guidance counselors by the Coordinator of Guidance did much to improve the guidance service at the high school. In addition to the Coordinator, a consultant from the mainland conducted a series of in-service training sessions over a 4 months period.

(e) *Administrative Staff*.—The Director of Secondary Education devoted considerable time to assisting principals and assistant principals in doing a more effective job. For the first time, the administrative staff from all of the high schools met as a group several times during the year to study common problems, share experiences, and plan future activities. To get all administrative personnel familiar with the accreditation processes, all principals were sent to the mainland to participate in the evaluation of high schools for accreditation under the Middle States Association jurisdiction. In addition to participation in the evaluative process, the principals also observed administrative practices in mainland high schools under Middle States Association Secondary Schools and Colleges jurisdiction.

(f) *Physical Facilities*.—Some progress was made towards bringing the physical facilities of all three high schools to meet minimum accreditation requirements. The high schools in St. Croix were painted during the year and general repairs were begun in all three high schools. Funds to add special facilities such as gymnasium, music suite, art and vocational education, as well as additional classrooms for general use, were appropriated during the year.

(4) *Vocational Education*.—Except for a course or two in the adult program and the practical nursing program, vocational education is primarily a secondary school function. The school year 1962 showed definite improvement in the area. To expand the program to include out of school training activities, the Vocational Education Division was given a separate divisional status in the department with a Deputy Commissioner as its head. Plans were underway to participate in the manpower training and retraining program under the Federal Manpower Training Act.

Vocational education has been generally recognized as an important area of activity in the schools. For the most part, graduates of the program were integrated into community work force without any difficulty. A newly organized on-the-job training program for students in the third year of vocational training would improve the record even more. Twenty-one students were given on-the-job training experience in various industries and governmental activities.

The Practical Nursing program for adults graduated its second class in St. Thomas with 6 students and the first class in St. Croix with 10 graduates. The first in-school class of practical nurses started at

the Charlotte Amalie High School in St. Thomas. In addition to the work at the school, the practical nurses instructor conducted an in-service training course for nurse aids and practical nurses at the Charles Harwood Memorial Hospital at St. Croix.

Enrollment in vocational classes was 872 for 1962 as compared with 989 for 1961.

(5) *Adult Education*.—The adult education program offered a limited number of courses in the evening. The budget was doubled for the year 1962 from what it was the previous year. Seventeen courses were offered in St. Thomas for a combined enrollment of 271 and four courses in St. Croix with an enrollment of 77 students. The program included several classes in English, including a class in English for non-English speaking people, science, mathematics, bookkeeping, typing and shorthand.

B. *Division of Business and Auxiliary Services*

The Division of Business and Auxiliary Services provides the logistic support for the educational programs. It has four major areas of activities: (1) Business and Accounting Section; (2) Property and Procurement Section; (3) School Lunch program; (4) Auxiliary Services, such as maintenance and transportation.

The division was reorganized during the year to facilitate the work of its various sections. Business operations were streamlined and the entire business operations of the Department were strengthened.

Maintenance and Repair of Schools.—For the first time in many years the Department began a program of regular maintenance, repair and improvement of its buildings. The maintenance staff was augmented. Substantial progress was made in the painting of school buildings during the year. A number of major repairs and improvements were accomplished during the year. In St. Croix a new headquarters office building at Christiansted was completed and occupied.

The School Lunch program was given a thorough review during the year. A major improvement in the program was the placement of school lunch activities in the schools under the general supervision and direction of the school principal. This will tie in the school lunch with the educational program.

The records show that during the school year of 1962 more children participated in the school lunch program than in previous years. The average daily participation was 6,329, an increase of 425 over the previous year. 1,079,112 type "A" lunches were served.

C. *Division of Community Programs*

The Department of Education operates four programs which are related to but not directly connected with the educational programs.

These activities are administered by three bureaus: (1) Bureau of Public Recreation; (2) Bureau of Public Libraries and Museums; (3) Bureau of Vocational Rehabilitation; and (4) Grants-in-Aid programs. There were significant activities in all of these areas during the past year.

(1) *Bureau of Public Recreation.*—The Bureau is set up to plan and promote community recreation and sports activities for adults in the community.

One of the most significant developments in the area of sports and recreation was the tremendous increase in the participation of the community. The St. Thomas Rotary Club raised money for the development of a children's playground at Griffith Park which was being equipped by the close of the year. The St. Thomas Tennis Association conducted Tennis Clinics on a weekly basis for 8-year-olds and over. The association also conducted in St. Thomas a tennis tournament with the Rio Piedras Club of Puerto Rico. The Emile Griffith Committee sponsored the first "Fight Card" in the Lionel Roberts Park, featuring the World's Welterweight Champion, Emile Griffith, a Virgin Islander. Several athletic organizations, both men and women, financed competition with off-island teams.

The sports program, under the Bureau of Recreation's sponsorship, had a total participation for the three islands of 150 teams. One thousand, three hundred and fifty games were played, involving 2,756 players. With the installation of lights at the Emile Griffith Park at the close of the year, it is expected that sports in the Virgin Islands will increase even more.

The sports program received a healthy boost with the inauguration of a sports promotion program under a sports committee and a Sports Promoter. Working with the Commissioner of Education and the Bureau of Recreation, the Sports Promoter organized and conducted a most successful Track and Field Meet in St. Thomas.

(2) *Bureau of Public Libraries and Museums.*—The Virgin Islands have three public libraries administered by the Department of Education through its Bureau of Libraries headed by a chief. The largest, with a book collection of approximately 30,000, is located in Charlotte Amalie, St. Thomas. One library with 17,500 volumes is located in Christiansted, and another with 20,000 books is in Fredriksted, St. Croix.

The Virgin Islands libraries received more visitors and circulated more books during the year than in any previous year. The number of calls made by adults increased from 2,100 in 1960-1961 to 6,250 in 1961-1962, and by juveniles from 5,100 to 13,500 for the same years. The attendance record showed an increase of 12,550 calls or 74.3 per cent over the previous year's total of 7,200. Total circulation went

up from 12,485 in 1961 to 41,536 in 1962. Adult circulation went up from 4,472 to 13,428 and juvenile circulation jumped from 8,013 to 28,108.

The libraries continued to increase their collections as approximately 700 new titles were obtained during the year. Close to 300 volumes were received as gifts from various groups and individuals.

(3) *Bureau of Vocational Rehabilitation.*—The 1962 fiscal year saw the establishment of the first Sheltered Workshop in the Virgin Islands. The Sheltered Workshop was an experimental project made possible through a Federal grant in the amount of \$17,600 matched by \$4,400 of local funds. The shop, located at the Herbert E. Grigg Home for the Aged in St. Croix, operated with a professional staff of two people. Designed to serve 15 persons, it provided service to nine during the year. They made reed baskets, fish scale beads and earrings, floor mats and place mats. Almost all the raw materials used were secured from local sources.

The year ended the downward trend of caseloads which started three years before. This year saw an increase in the number of cases referred for vocational rehabilitation services. Twenty-seven new active cases were added to the 59 on hand at the beginning of the period (July, 1961), making a total active caseload of 86 for the period. Of this number, 31 were provided services and placed on jobs. This left a total of 55 active cases at the close of the year. Of those 55 cases, 14 were ready for employment. The number of cases rehabilitated this fiscal year exceeded the previous year by ten.

Plans were underway to conduct a comprehensive survey of vocational rehabilitation needs with a view toward making a more positive effort in finding and assisting all potential clients. The United States Office of Vocational Rehabilitation had expressed vital interest in the project.

D. Grants and Contributions

The Department administered the following grants and contributions during the year:

| | |
|----------------------------------|----------|
| Boy Scouts | \$8, 000 |
| Girl Scouts | 5, 000 |
| Territorial Scholarship | 45, 000 |
| St. John Scholarship | 4, 400 |
| Wilmot Blyden | 4, 000 |
| Virgin Islands Museum | 1, 500 |
| Community Bands | 7, 200 |
| V.I. Carnival Committee | 1,500 |
| St. Croix Museum | 5, 000 |
| St. John 4th-of-July celebration | 500 |
| Grant to J. Antonio Jarvis | 2, 000 |

| | |
|-----------------------------------|----------|
| St. Croix Festival Committee..... | \$1, 500 |
| Total | 85, 600 |

Problem Areas

The foregoing report demonstrates that the Department of Education is fully aware of the driving necessity for educational betterment and is coming to grips with the problem on a wide front. The continually rising educational requirements of a dynamic society like the Virgin Islands are a challenge to the entire educational system. The magnitude of the unfinished task is shown in part in the number and variety of problems which the schools face in the islands.

1. *Sites and Facilities for Education.*—Many of the school facilities, especially in St. Thomas, are inadequate, from the standpoint of quantity, to accommodate the number of students enrolled in the system and from the standpoint of quality to provide for effective education. While 42 classrooms were opened during the year, the number of classrooms lags far behind requirements. For the school year 1963, there will be a shortage of approximately 38 classrooms in St. Croix, 22 in St. Thomas, and 4 in St. John. Funds have been provided for the construction in fiscal year 1963 of about 20 classrooms in St. Croix, 15 classrooms in St. Thomas, and 4 in St. John. None of these are expected to be ready for occupancy during the school year 1963.

The result is over-crowding of classrooms and over-taxing of other school facilities. Scores of students are housed in rented buildings, lunch rooms, auditoriums and other make-shift classrooms. Several hundred are being taught in some 28 substandard classrooms all over St. Thomas. These classrooms are incapable of renovation except at excessive cost, and the locations are inadequate.

To provide classrooms in adequate number and in quality for effective education, the islands need about 64 classrooms to meet current enrollment figures and 34 classrooms to replace substandard rooms and about eight to ten classrooms annually for the next few years. The latter are needed to house new enrollment as well as the ever-increasing number of students who remain in school until they graduate from high school.

On the basis of enrollment estimates, the following table projects additional classroom needs for the next five years in all three islands:

| Island | 1961- 1962 | 1962- 1963 | 1963- 1964 | 1966- 1967 |
|-----------------|---------------|---------------|---------------|---------------|
| St. Thomas..... | 64 | 22 | 15 | 35 |
| St. John..... | 4 | 4 | 0 | 4 |
| St. Croix..... | 30 | 38 | 24 | 36 |

This estimate is most conservative as it takes into consideration only normal increase. It does not take into consideration any increase due to migration nor does it take into account the replacements of about 28 classrooms in St. Thomas which are substandard.

In addition to the classrooms, the public school system is behind in playground and other educational facilities essential to the educational processes.

The problem of inadequate school facilities boils down to two solutions:

(1) More funds for construction.

(2) Acquisition of sites for new schools, especially in St. Thomas.

Estimates of costs to meet current enrollment and replace substandard classrooms and build special educational facilities are in excess of \$4,000,000. Appropriations of \$1,434,000 were made for construction in fiscal year 1963. Something like \$2,205,000 is needed to house adequately the educational program strictly for students who are currently enrolled. To replace substandard classrooms in St. Thomas, close to a million dollars will be needed for buildings alone, exclusive of cost for land and site development. These figures are 1963 estimates and may be too low a few years hence.

Acquisition of school sites for expansion of schools and for consolidation of existing small units is something that is now being planned. There are several schools in St. Thomas which are poorly located. Some rural schools are located in areas which are not likely to grow extensively and on sites that are too small for any expansion of facilities.

2. *The Teacher: Quantity and Quality.*—For many years the islands have had a shortage of qualified teachers. Despite some improvement in salaries, teaching requirements, and recruitment programs, the shortage continues.

During the school year 1962, approximately 60 percent of the teaching and other professional personnel held a bachelor's degree or a higher degree. This represented an increase of 10 percent over the previous year. It is expected that in 1963 the percentage of teachers with bachelor's degrees or higher will be about 70 percent. Since the Department is making no effort to employ on a permanent basis new teachers with less than a 4-year college degree, it is anticipated that the percentage of nondegreed teachers will not exceed 10 percent within the next 3 to 5 years. While some of the best teachers in the system are nondegreed teachers, the times demand that no less than a college degree will be the minimum requirements for all new teachers.

The solution to the problem of teacher shortage can be resolved by providing conditions of employment which will attract qualified teachers into the system and retain them for a long period of time.

3. *Financial Support.*—The problem of financial support will loom larger as the schools move toward quality education. Already the cost of educating the children and youth has increased from \$326.18 per pupil in 1961 to \$344.89 in 1962, and it is expected to cost \$365 in 1963 and perhaps in excess of \$400 by 1963–64.

The per pupil cost of public education will continue to increase in the Virgin Islands, reflecting the increase in the number of pupils as well as the effects of inflationary forces and program improvement. The increasing operating costs and abnormal building requirements will put strains on local resources. While the Department of Education has been fortunate in receiving its requirements of funds in recent years, it is imperative that the territory continue in the future to support education with equal farsightedness. Expenditures for education are really investments in people, hence investments in the future of these islands.

Number of teachers employed, including vocational and kindergarten programs

| <i>Year</i> | <i>Number</i> |
|--------------|---------------|
| 1957–58..... | 207 |
| 1958–59..... | 214 |
| 1959–60..... | 242 |
| 1960–61..... | 255 |
| 1961–62..... | 256 |

Professional training, including vocational as of December 1961

| | Principal, Assistant Principal, Principal Teachers | Teachers | Total | Percentage |
|-----------------------------------|--|----------|-------|------------|
| MA or MS..... | 10 | 32 | 42 | 16.4 |
| BA or BS..... | 7 | 103 | 110 | 43.0 |
| RN..... | 0 | 3 | 3 | 1.2 |
| Two years or more of college..... | 7 | 64 | 71 | 27.7 |
| Less than two years..... | 1 | 28 | 29 | 11.3 |
| No college training..... | 0 | 1 | 1 | 4 |
| Total..... | 25 | 231 | 256 | 100.0 |

By September 1963 it is expected that 70 percent of the teachers will have at least a Bachelor's degree.

Virgin Islands Average Annual Salary per Teacher

| <i>Year</i> | <i>Amount</i> |
|--------------|---------------|
| 1957–58..... | \$3,167.76 |
| 1958–59..... | 3,514.08 |
| 1959–60..... | 3,455.04 |
| 1960–61..... | 4,152.94 |
| 1961–62..... | 4,276.76 |

1961-62 Public School Attendance and Membership

| | |
|---|-------|
| Average daily attendance..... | 6,821 |
| Average daily membership..... | 7,399 |
| Average number of pupils per classroom teacher..... | 37 |
| Rural elementary..... | 37 |
| Urban elementary..... | 41 |
| High school..... | 31 |

School enrollment summary

| Number of schools | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|---------------------------------------|---------|---------|---------|---------|---------|
| Public (including kindergartens)..... | 28 | 29 | 29 | 28 | 28 |
| Parochial..... | 8 | 10 | 10 | 10 | 10 |
| Private..... | 5 | 4 | 4 | 4 | 4 |
| Total..... | 41 | 43 | 43 | 42 | 42 |
| School enrollment: | | | | | |
| Public..... | 6,391 | 6,466 | 6,849 | 7,132 | 7,624 |
| Parochial..... | 2,077 | 2,185 | 2,584 | 2,611 | 2,732 |
| Private..... | 288 | 170 | 232 | 302 | 408 |
| Total..... | 8,756 | 8,821 | 9,565 | 10,045 | 10,764 |

| Public school enrollment | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|--------------------------|---------|---------|---------|---------|---------|
| Kindergartens..... | 312 | 420 | 422 | 426 | 495 |
| Grades 1 through 6..... | 4,122 | 4,098 | 4,229 | 4,507 | 4,740 |
| Grades 7 through 12..... | 1,957 | 1,976 | 2,198 | 2,199 | 2,389 |
| Total..... | 6,391 | 6,494 | 6,849 | 7,132 | 7,624 |

Virgin Islands public schools five-year enrollment projections

| School year | Actual 1961-62 | 1962-63 | 1963-64 | 1965-66 | 1967-68 | Increase | Percent Increase |
|--|-------------------|---------|---------|---------|---------|----------|---------------------|
| St. Thomas: | | | | | | | |
| Elementary..... | 2,743 | 2,862 | 2,998 | 3,404 | 3,786 | 1,043 | 38.02 |
| Secondary..... | 1,521 | 1,511 | 1,594 | 1,707 | 1,759 | 238 | 15.65 |
| Total..... | 4,264 | 4,373 | 4,592 | 5,111 | 5,545 | 1,281 | 30.04 |
| St. Croix: | | | | | | | |
| Elementary..... | 2,092 | 2,304 | 2,432 | 2,736 | 2,849 | 757 | 36.19 |
| Secondary..... | 810 | 863 | 939 | 1,016 | 1,271 | 461 | 56.92 |
| Total..... | 2,902 | 3,167 | 3,371 | 3,752 | 4,120 | 1,218 | 41.97 |
| St. John: | | | | | | | |
| Elementary..... | 200 | 216 | 235 | 270 | 323 | 123 | 61.50 |
| Secondary..... | 44 | 41 | 40 | 44 | 45 | 1 | 2.27 |
| Total..... | 244 | 257 | 275 | 314 | 368 | 124 | 50.82 |
| Public Schools of the Virgin Islands: | | | | | | | |
| Elementary..... | 5,035 | 5,382 | 5,665 | 6,410 | 6,958 | 1,923 | 38.19 |
| Secondary..... | 2,375 | 2,415 | 2,573 | 2,767 | 3,075 | 700 | 29.47 |
| Total..... | 7,410 | 7,797 | 8,238 | 9,177 | 10,033 | 2,623 | 35.40 |

Expenditures by years (1955-62, inclusive) Virgin Islands

| <i>Year</i> | <i>Total</i> |
|---------------|-------------------|
| 1955-56 ----- | \$1, 180, 397. 94 |
| 1956-57 ----- | 1, 107, 254. 32 |
| 1957-58 ----- | 1, 286, 009. 36 |
| 1958-59 ----- | 1, 540, 727. 21 |
| 1959-60 ----- | 2, 049, 619. 15 |
| 1960-61 ----- | 2, 623, 131. 71 |
| 1961-62 ----- | 2, 790, 820. 43 |

Average Cost per Pupil (1955-62, inclusive) Virgin Islands

| <i>Year</i> | <i>Total</i> |
|---------------|--------------|
| 1955-56 ----- | \$141. 00 |
| 1956-57 ----- | 137. 30 |
| 1957-58 ----- | 151. 84 |
| 1958-59 ----- | 216. 97 |
| 1959-60 ----- | 266. 00 |
| 1960-61 ----- | 326. 18 |
| 1961-62 ----- | 344. 89 |

Department of Finance

Revenues collected and expenditures made by the Government of the Virgin Islands during the fiscal year ended June 30, 1962, were the highest ever recorded.

Total revenues amounted to \$17,443,684.57 of which \$11,099,933.55, or 63.63 percent, were for the account of the General Fund, and \$6,343,751.02, or 36.37 percent, were for the account of the Internal Revenue Matching Fund. In the case of the General Fund, revenues collected in fiscal year 1962 represented an increase of 26.59 percent over those collected the previous fiscal year. Matching Fund revenues collected represented a decrease of 5.46 percent under revenues collected in the previous fiscal year, due to the fact that Congress appropriated \$669,000 from this fund to cover losses of the Virgin Islands Corporation.

The increase in the General Fund follows a trend established over recent years, and which is illustrated in the Comparative Statement of General and Matching Fund Revenues included in this report as Exhibit "A". For the first time since fiscal year 1955, the Matching Fund revenues have registered a decrease.

In the comparative statement of revenues and receipts (exhibit A) is presented a picture, in considerable detail, of the revenues collected into the General and Matching Funds over the 5-year period beginning with fiscal year 1958 and ending with fiscal year 1962. The statement shows in the top portion the amount of revenues derived each fiscal year by source, and the percentage of each item in relation to the total

revenues collected. In the lower portion, the percentage of increase or decrease of each revenue item and the total are shown.

Total expenditures for fiscal year 1962 amounted to \$14,891,082.98 of which \$10,336,786.34, or 69.42 percent were from the general fund and \$4,554,296.64, or 30.58 percent were from the matching fund. General fund expenditures represented an increase of 12.15 percent over the previous fiscal year. Matching fund expenditures represented an increase of 15.66 percent over the previous fiscal year and is due mainly to the fact that the amount allocated to be spent from this fund for government operations in fiscal year 1962 was higher than the previous fiscal year.

In addition to the comparative statement of revenues and receipts and the comparative statement of expenditures, which furnish detailed financial information by activity and program for a 5-year period, a summary comparative statement of revenues, expenditures and surplus (exhibit C) is presented in this report to show the results of the financial activity of the government's major operations over the same 5-year period. This statement also illustrates how each fiscal year's



Sugar Estate Elementary School, Charlotte Amalie, St. Thomas. Completed in April 1962, at a cost of \$850,000. The 32-room elementary school contains a complete kitchen and cafeteria and independent water supply. The design provides for addition of eight classrooms.

surplus is utilized in the succeeding fiscal year, together with revenues collected for that year to finance the cost of the government's operations. Also shown in this statement is the amount due to be transferred from the matching fund to the essential projects fund each fiscal year in accordance with the requirements of the Revised Organic Act.

Since the general fund and the matching fund account for the revenues and expenditures which reflects the government's general operations, they are highlighted in the statements presented in this report. The other funds not represented in these statements represent funds which are segregated for specific programs and functions not generally connected with normal government operations. However, the financial information on certain other funds which are considered significant are reported in the following paragraphs.

Double "I" Essential Public Projects Fund

Under the provisions of the Organic Act (subsec. 28(b)), at the beginning of each fiscal year, the excess of funds in the single "i" matching fund not needed to liquidate obligations incurred during the fiscal year, or outstanding encumbrances of previous fiscal years, is transferred to the double "i" essential public projects fund. This year the receipts into the fund from this source amounted to \$2,551,169.12, compared with \$2,291,541.47 received during fiscal year 1961, a decrease of \$259,627.65, or 11.33 percent.

Total expenditures for the fiscal year amounted to \$2,425,709.29, compared with \$1,982,458.57 for fiscal year 1961, an increase of \$443,250.72, or 22.36 percent.

Road Fund

This fund was established in 1957 by legislative enactment which provided that all taxes upon the sale of gasoline and all fines imposed by the courts for violation of traffic laws should be deposited therein. During the fiscal year revenues collected and deposited into the road fund amounted to \$284,706.12, an increase of \$49,149.54 or 20.87 percent over those of fiscal year 1961. Of this amount, \$259,383.12 represented collections from taxes on the sale of gasoline, and \$25,323 from the collection of fines imposed for violation of traffic laws.

Marine and Aviation Fund

The marine and aviation fund was established in October 1960 by legislative enactment which provided that all revenues and re-

ceipts collected from activities applicable to the harbors and airports of the Virgin Islands be deposited into this fund. During the fiscal year revenues deposited into the marine and aviation fund amounted to \$238,074.46. Of this amount \$184,552 represented fees collected for harbor services, and \$53,522.46 represented collections for rentals and concessions, sale of government property, and other miscellaneous service charges.

Expenditures for the same period amounted to \$236,195.66. The fund is used for the operation of harbors and airports within the Virgin Islands owned by the territorial government.

Federal Contributions

During the fiscal year the Federal Government's contribution to grant-in-aid programs and other programs amounted to \$1,351,725.76, an increase of \$255,534.26 or 23.31 percent over similar contributions of the previous fiscal year.

Department's Operations, Programs, and Policies

During fiscal year 1962 a renovation and building project was undertaken to provide more adequate accommodations for the Department of Finance. During the latter half of the year the Payroll and Data Processing Divisions moved into the new location. It is anticipated that the entire Department will be relocated by the end of fiscal year 1963. This move should relieve much of the crowding which exists at the present time and enable the Department to operate more efficiently.

The Tax Division of the Department was completely reorganized during the latter part of fiscal year 1962 with the view towards improving the tax administration program. This organization was accomplished with the assistance of the US Internal Revenue Service.

Plans for the change-over from a decentralized to a centralized system of accounts were completed during fiscal year 1962. Implementation of the new system was scheduled to begin on July 1, 1962.

Certain changes in salary tables contributed to a slight easement in the personnel recruitment program. Generally, however, the problem of recruiting and retaining qualified personnel continued during the year.

Expenses incurred by the Department of Finance during fiscal year 1962 were as follows:

| | |
|---------------------------------------|---------------------|
| Office of the Commissioner..... | \$111,477.66 |
| Accounting Division..... | 69,882.96 |
| Treasury Division..... | 77,029.54 |
| Tax Division..... | 131,208.50 |
| Internal Audit Division..... | 35,430.23 |
| Payroll Division..... | 22,272.08 |
| Machine Data Processing Division..... | 125,562.74 |
| Total | <u>\$572,863.71</u> |

EXHIBIT "A"

GOVERNMENT OF THE VIRGIN ISLANDS

Comparative statement of revenues and receipts

Fiscal years 1958-62

| General and matching funds--Source of revenues and receipts | 1958 | Percent of total | 1959 | Percent of total | 1960 | Percent of total | 1961 | Percent of total | 1962 | Percent of total |
|---|--------------|------------------|--------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|
| REVENUES AND RECEIPTS | | | | | | | | | | |
| General fund: | | | | | | | | | | |
| Real property taxes..... | \$278,587.49 | 6.69 | \$276,349.18 | 5.29 | \$372,724.81 | 5.14 | \$348,174.57 | 3.97 | \$499,413.87 | 4.50 |
| Income taxes..... | 2,239,414.96 | 53.81 | 3,654,223.06 | 58.46 | 4,329,017.86 | 59.09 | 5,619,721.00 | 64.09 | 7,221,085.92 | 65.05 |
| Inheritance taxes..... | 13,304.82 | .32 | 37,960.44 | .72 | 23,011.19 | .31 | 42,541.45 | .49 | 37,529.94 | .34 |
| Stamp taxes..... | 50,498.17 | 1.21 | 97,151.92 | 1.86 | 71,495.93 | .99 | 112,883.01 | 1.29 | 135,719.28 | 1.22 |
| Trade, excise, and gross receipts taxes..... | 719,961.74 | 17.30 | 886,513.22 | 16.97 | 1,187,743.54 | 16.35 | 1,357,491.33 | 15.48 | 1,655,595.56 | 14.92 |
| Custom duties..... | 295,000.00 | 7.09 | 284,000.00 | 5.45 | 487,000.00 | 6.72 | 431,780.70 | 4.92 | 747,085.00 | 6.73 |
| Licenses, fees and permits..... | 260,227.93 | 6.26 | 269,747.30 | 5.16 | 331,372.55 | 4.57 | 372,391.70 | 4.25 | 433,987.80 | 3.91 |
| Corporation franchise tax..... | | | 4,518.00 | .08 | 16,792.63 | .23 | 16,491.33 | .19 | 20,237.56 | .18 |
| Fines, forfeits and penalties..... | 15,224.12 | .37 | 29,153.49 | .56 | 39,549.05 | .54 | 33,704.72 | .38 | 39,450.43 | .36 |
| Interest on government funds..... | 356.94 | .01 | 548.44 | .01 | 100.68 | .00 | 20,567.07 | .80 | 439.14 | .00 |
| Other income..... | 288,773.10 | 6.94 | 284,410.79 | 5.44 | 395,144.70 | 5.45 | 406,411.95 | 4.64 | 309,389.05 | 2.79 |
| Total general fund..... | 4,161,389.27 | 100 | 5,224,577.84 | 100 | 7,251,867.94 | 100 | 8,768,163.83 | 100 | 11,099,933.55 | 100 |
| Matching fund: | | | | | | | | | | |
| Internal Revenue matching contributions..... | 3,379,133.21 | 97.46 | 3,872,865.16 | 96.94 | 4,917,952.15 | 97.79 | 6,494,445.33 | 96.79 | 6,173,477.87 | 97.32 |
| Contributions from other funds (reimbursements)..... | 77,106.27 | 2.22 | 117,198.01 | 2.94 | 101,752.63 | 2.02 | 185,171.37 | 2.76 | 128,796.80 | 2.03 |
| Interest on Government funds..... | 11,121.78 | .32 | 5,070.71 | .12 | 9,358.08 | .19 | 30,454.49 | .45 | 41,476.35 | .65 |
| Total matching fund..... | 3,467,361.26 | 100 | 3,995,133.88 | 100 | 5,029,062.86 | 100 | 6,710,071.19 | 100 | 6,343,751.02 | 100 |
| Grand total..... | 7,628,750.53 | ----- | 9,219,711.72 | ----- | 12,280,930.80 | ----- | 15,478,235.02 | ----- | 17,443,684.57 | ----- |

EXHIBIT "A"—Continued
GOVERNMENT OF THE VIRGIN ISLANDS
Comparative statement of revenues and receipts
Fiscal years 1958-62
PERCENTAGE OF ANNUAL INCREASE (DECREASE)

| General and matching funds | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|--|--------------|--------------|--------------|--------------|---------------|
| General fund: | | | | | |
| Real property taxes..... | 3.71 | (.90) | 34.87 | (6.59) | 43.44 |
| Income taxes..... | 20.17 | 36.88 | 41.74 | 29.82 | 28.50 |
| Inheritance taxes..... | 1.37 | 185.81 | (39.38) | 84.87 | (11.78) |
| Stamp taxes..... | 41.37 | 92.39 | (26.41) | 57.89 | 20.23 |
| Trade excise, and gross receipts taxes..... | 7.57 | 23.13 | 33.75 | 14.48 | 21.96 |
| Custom duties..... | 32.88 | (3.48) | 71.03 | 11.34 | 73.02 |
| Licenses, fees and permits..... | 36.83 | 3.66 | 22.85 | 12.38 | 16.34 |
| Corporation franchise tax..... | ----- | ----- | 269.69 | (1.70) | 23.25 |
| Fines, forfeits and penalties..... | ----- | 91.01 | 35.65 | (14.76) | 17.03 |
| Interest on Government funds..... | ----- | 53.65 | (81.64) | 203.87 | (98.35) |
| Other income..... | 10.15 | (1.51) | 38.94 | 28.51 | 23.87 |
| Total general fund..... | 12.93 | 25.55 | 38.80 | 20.91 | 26.59 |
| Matching fund: | | | | | |
| Internal Revenue matching contribution..... | 36.84 | 14.61 | 26.98 | 32.06 | (4.94) |
| Interest on Government funds..... | 28.53 | (54.41) | 84.56 | 224.67 | (30.44) |
| Contributions from other funds (reimbursements)..... | ----- | 52.00 | (13.18) | 81.98 | 36.19 |
| Total matching fund..... | 37.64 | 15.22 | 25.88 | 33.43 | (5.46) |
| Grand total..... | 23.73 | 20.85 | 33.20 | 26.03 | 12.70 |

EXHIBIT "B"

GOVERNMENT OF THE VIRGIN ISLANDS

Comparative statement of expenditures

General and matching funds

Fiscal years 1958-62

DISTRIBUTION OF EXPENDITURES

| | 1958 | Percent of total expend- itures | 1959 | Percent of total expend- itures | 1960 | Percent of total expend- itures | 1961 | Percent of total expend- itures | 1962 | Percent of total expend- itures |
|---|--------------|--|--------------|--|---------------|--|---------------|--|---------------|--|
| Standard government expenditures | | | | | | | | | | |
| Legislative..... | \$75,912.36 | 1.21 | \$126,168.02 | 1.58 | \$196,190.66 | 1.96 | \$194,103.66 | 1.48 | \$236,967.44 | 1.59 |
| Judiciary (Courts)..... | 45,657.95 | .72 | 49,589.52 | .62 | 59,244.54 | .59 | 62,188.18 | .47 | 72,656.44 | 1.49 |
| Executive: | | | | | | | | | | |
| Administrative departments and agencies..... | 770,713.33 | 12.24 | 1,091,676.71 | 13.69 | 1,443,836.54 | 14.44 | 1,503,788.37 | 11.43 | 1,812,480.40 | 12.17 |
| Service departments: | | | | | | | | | | |
| Public Works Department..... | 1,172,289.49 | 18.61 | 1,481,676.17 | 18.57 | 2,155,141.89 | 21.55 | 1,854,961.77 | 14.10 | 2,361,639.59 | 15.86 |
| Health Department..... | 1,444,890.48 | 22.04 | 1,555,461.81 | 19.50 | 2,097,018.42 | 20.97 | 2,533,974.72 | 19.26 | 2,634,032.27 | 17.69 |
| Education Department..... | 1,181,366.34 | 18.75 | 1,428,629.12 | 17.91 | 1,859,452.82 | 18.60 | 2,107,840.76 | 16.02 | 2,413,884.61 | 16.21 |
| Social Welfare Department..... | 424,901.60 | 6.75 | 464,292.73 | 5.82 | 550,434.99 | 5.50 | 601,857.55 | 4.58 | 837,884.45 | 5.63 |
| Public Safety Department..... | 456,225.73 | 7.24 | 457,920.45 | 5.74 | 554,265.32 | 5.54 | 698,533.79 | 5.31 | 788,665.09 | 5.29 |
| Commerce Department..... | 111,147.64 | 1.76 | 163,463.80 | 2.03 | 227,682.37 | 2.28 | 340,917.48 | 2.59 | 576,265.31 | 3.87 |
| Agriculture and Labor Department..... | 72,897.75 | 1.16 | 69,564.55 | .87 | 143,168.13 | 1.43 | 167,723.63 | 1.28 | 256,136.41 | 1.72 |
| Total executive expenditures..... | 5,634,432.36 | 89.45 | 6,712,625.34 | 84.15 | 9,031,000.48 | 90.31 | 9,809,297.97 | 74.57 | 11,680,988.13 | 78.44 |
| Other governmental expenditures..... | 433,494.65 | 6.88 | 1,056,790.83 | 13.25 | 296,110.29 | 2.96 | 197,666.79 | 1.50 | 548,852.58 | 3.69 |
| Total standard government expenditures..... | 6,189,497.32 | 98.26 | 7,945,173.71 | 99.60 | 9,582,545.97 | 95.82 | 10,263,256.60 | 78.02 | 12,539,464.59 | 84.21 |
| Special or essential public projects expenditures: | | | | | | | | | | |
| Public Works Department..... | 103,837.44 | 1.70 | 32,040.20 | .40 | 370,166.08 | 3.70 | 2,856,053.86 | 21.71 | 2,321,189.90 | 15.59 |
| Health Department..... | | | | | 47,396.09 | .48 | | | 2,819.00 | .02 |
| Education Department..... | | | | | | | 35,434.45 | .27 | 6,457.73 | .04 |
| Welfare Department..... | 2,832.52 | .04 | | | | | 251.44 | .00 | 604.63 | .00 |
| Governor's Consulting Service..... | | | | | | | | | 20,547.13 | .14 |
| Total special or essential projects expenditures..... | 109,699.96 | 1.74 | 32,040.20 | .40 | 417,562.17 | 4.18 | 2,891,739.75 | 21.98 | 2,351,618.39 | 15.79 |
| Total expenditures..... | 6,299,167.28 | 100 | 7,977,213.91 | 100 | 10,000,108.14 | 100 | 13,154,996.35 | 100 | 14,891,082.98 | 100 |

EXHIBIT "B"—Continued

SOURCE OF EXPENDITURES

| | 1958 | Percent of total expend- itures | 1959 | Percent of total expend- itures | 1960 | Percent of total expend- itures | 1961 | Percent of total expend- itures | 1962 | Percent of total expend- itures |
|----------------------------------|----------------|--|----------------|--|----------------|--|----------------|--|-----------------|--|
| Standard government expenditures | | | | | | | | | | |
| General fund..... | \$3,736,172.90 | 59.30 | \$5,497,437.92 | 68.91 | \$7,278,122.04 | 79.78 | \$9,217,329.15 | 70.07 | \$10,336,786.34 | 69.42 |
| Matching fund..... | 2,562,994.38 | 40.70 | 2,479,775.99 | 31.09 | 2,721,956.10 | 27.22 | 3,937,667.20 | 29.93 | 4,554,296.64 | 30.58 |
| Total expenditures..... | 6,299,167.28 | 100 | 7,977,213.91 | 100 | 10,000,108.14 | 100 | 13,154,996.35 | 100 | 14,891,082.98 | 100 |

EXHIBIT "B"—Continued
GOVERNMENT OF THE VIRGIN ISLANDS
Comparative statement of expenditures
General and matching funds
Fiscal years 1958-62

PERCENTAGE OF ANNUAL INCREASE (DECREASE)

DISTRIBUTION OF EXPENDITURES

| Standard Government Expenditures | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|---|---------|---------|----------|---------|---------|
| Legislative..... | (16.51) | 66.20 | 55.50 | (1.06) | 22.08 |
| Judiciary..... | 13.27 | 8.61 | 19.47 | 4.97 | 16.83 |
| Executive: | | | | | |
| Administrative Departments..... | 26.93 | 41.64 | 32.26 | 4.15 | 20.53 |
| Service Departments: | | | | | |
| Public Works Department..... | 36.75 | 26.39 | 45.45 | (13.93) | 27.31 |
| Health Department..... | 13.95 | 7.65 | 34.82 | 20.82 | 3.96 |
| Education Department..... | 12.78 | 20.93 | 30.16 | 13.36 | 14.52 |
| Social Welfare Department..... | 8.95 | 9.26 | 18.57 | 9.34 | 39.22 |
| Public Safety Department..... | 26.77 | 37.37 | 21.04 | 26.03 | 12.90 |
| Commerce Department..... | 83.16 | 47.07 | 39.29 | 49.73 | 69.03 |
| Agriculture and Labor Department..... | 31.39 | (.46) | 105.81 | 17.15 | 52.71 |
| Total executive expenditures..... | 21.27 | 19.14 | 34.54 | 8.62 | 15.27 |
| Other Government expenditures..... | 74.08 | 143.78 | (71.98) | (33.25) | 177.67 |
| Total standard Government expenditures..... | 23.14 | 28.37 | 20.61 | 7.10 | 22.18 |
| Special or essential public projects expenditures: | | | | | |
| Public Works Department..... | | (70.01) | 1,055.32 | 671.56 | (18.73) |
| Health Department..... | | | | | (81.78) |
| Education Department..... | | | | | 140.47 |
| Social Welfare Department..... | | | | | |
| Governor's Consulting Service..... | | | | | |
| Total special or essential projects expenditures..... | | 70.78 | 1,203.24 | 592.53 | (18.08) |
| Total expenditures..... | 25.32 | 26.64 | 25.36 | 31.55 | 13.20 |

EXHIBIT "B"—Continued
SOURCE OF EXPENDITURES

| Standard Government Expenditures | 1957-58 | 1958-59 | 1959-60 | 1960-61 | 1961-62 |
|----------------------------------|---------|---------|---------|---------|---------|
| General fund..... | 44.24 | 47.14 | 32.39 | 28.64 | 12.15 |
| Matching fund..... | 5.21 | (.32) | 9.76 | 44.66 | 15.66 |
| Total expenditures..... | 25.32 | 26.64 | 25.36 | 31.55 | 13.20 |

EXHIBIT "C"

GOVERNMENT OF THE VIRGIN ISLANDS

*Comparative statement of revenues, expenditures and surplus**General and matching funds**Fiscal years 1958-62*

| | 1958 | Percent of total revenues | 1959 | Percent of total revenues | 1960 | Percent of total revenues | 1961 | Percent of total revenues | 1962 | Percent of total revenues |
|---|----------------|---------------------------------|----------------|---------------------------------|----------------|---------------------------------|----------------|---------------------------------|-----------------|---------------------------------|
| Revenues: | | | | | | | | | | |
| General fund..... | \$4,161,389.27 | 54.55 | \$5,224,577.84 | 56.67 | \$7,251,867.94 | 59.05 | \$8,768,163.83 | 50.55 | \$11,069,933.55 | 63.63 |
| Matching fund..... | 3,467,361.26 | 45.45 | 3,996,133.88 | 43.33 | 5,029,062.86 | 40.95 | 6,710,071.19 | 43.35 | 6,343,751.02 | 36.37 |
| Total revenues..... | 7,628,750.53 | 100.00 | 9,219,711.72 | 100.00 | 12,280,930.80 | 100.00 | 15,478,235.02 | 100.00 | 17,413,684.57 | 100.00 |
| Expenditures: | | | | | | | | | | |
| General fund..... | 3,736,172.90 | 48.97 | 5,497,437.92 | 59.63 | 7,278,122.04 | 59.26 | 9,217,329.15 | 59.55 | 10,386,786.34 | 59.26 |
| Matching fund..... | 2,562,994.38 | 33.60 | 2,479,775.99 | 26.89 | 2,721,986.10 | 22.17 | 3,937,667.20 | 25.44 | 4,554,296.64 | 26.11 |
| Total expenditures..... | 6,299,167.28 | 82.57 | 7,977,213.91 | 86.52 | 10,000,108.14 | 81.43 | 13,154,996.35 | 84.99 | 14,941,082.98 | 85.37 |
| Excess (deficiency) of revenues over expenditures..... | 1,329,583.25 | 17.43 | 1,242,497.81 | 13.48 | 2,280,822.66 | 18.57 | 2,323,238.67 | 15.01 | 2,552,601.59 | 14.63 |
| Surplus: | | | | | | | | | | |
| ADD: | | | | | | | | | | |
| Cancelled previous year's obligations..... | | | 11,509.26 | | 72,386.69 | | 69,232.96 | | 82,001.27 | |
| Previous years' unappropriated surplus..... | 546,488.51 | | 991,533.86 | | 717,960.38 | | 747,007.85 | | 534,179.23 | |
| Adjustments to surplus..... | | | | | 42,072.90 | | 42,596.55 | | 8,103.57 | |
| Total additions..... | 546,488.51 | | 1,003,343.12 | | 832,419.97 | | 858,837.36 | | 624,284.07 | |
| DEDUCT: | | | | | | | | | | |
| Due to essential public projects fund..... | 772,963.14 | | 1,463,275.17 | | 2,291,541.47 | | 2,551,169.12 | | 2,012,433.82 | |
| Appropriations carried forward..... | 88,650.51 | | 69,237.36 | | 69,043.31 | | 71,624.11 | | 685,051.83 | |
| Adjustments to surplus..... | 22,924.25 | | 15,367.82 | | 5,650.00 | | 18,103.57 | | 6,963.52 | |
| Total deductions..... | 884,537.90 | | 1,527,880.55 | | 2,366,234.78 | | 2,647,896.80 | | 2,704,449.17 | |
| Unappropriated surplus at the close of fiscal year..... | 991,533.86 | | 717,960.38 | | 747,007.85 | | 534,179.23 | | 472,436.49 | |

Department of Health

Broadly speaking, the duties, responsibilities and areas of operation of the Department of Health in the Virgin Islands have remained unchanged. One of the weakest areas of operation, namely that of the Herbert Grigg Home for the Aged, has been transferred out of the Department of Health to the Department of Social Welfare, since it is not a medical, but a welfare institution.

Careful analyses during the past year have shown several significant factors and trends. The leading causes of death in the Virgin Islands have become identical with those in the continental United States in that diseases of the heart and blood vessels form the first cause of death and cancer the second.

As we continue to attempt to improve the quality of medical care rendered, while at the same time meeting the increased needs of the community as it grows, certain indications of the need for a change in direction of emphasis have become evident. The number of deaths occurring outside of the hospital or within the first 72 hours of admission to the hospital has increased to the point where it seems clearly to indicate that the need of emphasizing community services, particularly of a preventative nature is increasing.

During the past year, many dreams have become realities. The new outpatient annex to the Charles Harwood Memorial Hospital is now in operation. A modern, clean, air-conditioned building, it provides a marked improvement over services previously offered, and permits more efficient use of the medical and paramedical personnel. It may well serve as an example of what can be accomplished by close cooperation between the planners and the users of a facility.

The long and urgently needed increase in the facilities of the Knud-Hansen Memorial Hospital has now reached the stage where bids will be shortly invited, and this facility should become available during the fiscal year 1963.

The modern X-ray for the Knud-Hansen Memorial Hospital has been in operation for the past 7 months, and the quality or radiological work has correspondingly improved.

With the occupation of the new annex in St. Croix the storage facilities, long needed, became available. Thus, the storage of drugs and foodstuff, a long time unsatisfactory situation because of the obsolete and impractical facilities formerly used, has now been placed on a modern up-to-date basis.

The increase in cold storage facilities and additional storage areas for the Charles Harwood Memorial Hospital, together with an outdoor recreation area, will become a reality during the next several months.

In the Public Health area, conditions have continued basically good. As the past year has been one of above average rainfall in the Virgin Islands, the need for the stepping up of the insect control program, particularly the mosquito control program, has become evident. There has been no apparent increase in the incidence of potentially disease bearing mosquitoes, such as the *Anopheles*, *Aedes Aegypti* and *Culex*. Indeed, there is no knowledge that at the present time any focus of *Anopheles* mosquito exists. However, the much more common swamp and tree type of mosquito has flourished, due to the increase in vegetation and moisture, and its nuisance potential is becoming more evident. Here, again, while an increase in mechanical and chemical control of these insects by the Health Department is planned, it is quite evident that community education must play an important role in the control of these insects as well as wide scale brush and swamp eradication.

During the year, epidemics of measles, mumps, and chickenpox developed. Because of the long interval since the last epidemics and the large number of susceptible individuals, these epidemics were rather severe. In addition, the strain of measles virus appeared to be unusually virulent. Nevertheless, there were no deaths as a result of these epidemics and at year's end they had waned. Sporadic cases of infectious hepatitis continue to develop.

During the year, several major steps to improve the economy of the Virgin Islands occurred, which have definite bearing on the problems and planning of the Health Department. The runway at the airport in St. Thomas was lengthened to handle larger aircraft, and the runway at the Alexander Hamilton Airport in St. Croix began to handle jets, and nonstop flights from the mainland are in the offing. A new deep water dock, at the port of Frederiksted, was completed and will be attracting large cruise ships this coming year, and a large aluminum company completed plans to establish an alumina processing plant on the island of St. Croix. This plant plans to employ about 500 permanent workers, while employing 1,500 workers during the construction stages. These major accomplishments point to the fact that planning to meet these problems must be bold and visionary.

Finally, it appears that the problems of health insurance for the people of the Virgin Islands may not be settled solely on the need or lack of need for such a program here, but rather on the fact that this is becoming one of the fringe benefits which employees are expecting from employers, whether government or private. As such, it seems obvious that a very definite program will become a reality soon.

Boards and Commissions

The Board of Dental Examiners issued two licenses. The Board of Medical Examiners issued 7 licenses as well as temporary licenses to 16 physicians on the medical staff of the Government of the Virgin Islands. The Board of Nurse-Midwife Examiners reported 21 licensed nurse-midwives in the Virgin Islands. The Nursing Scholarship Advisory Board awarded nursing scholarships to 12 students in the amount of \$13,900 for 1961-62 school year. The Board of Nurses Registration administered the National League Test Pool examination to 16 practical nurse students. Licenses were renewed during the year for 83 registered nurses and 43 practical nurses. The Board of Veterinary Medicine issued one license during the year.

Bureau of Vital Records and Statistical Services

During 1961, 1,194 live births were recorded—an increase of 14 live births over the old record high of the previous year. The birth rate was 34.7 per 1,000 population. The figures by islands are as follows: St. Croix, 505 live births with a rate of 32.6; St. Thomas, 661 live births with a rate of 36.7, a record high for that island, the previous high being 628 with a rate of 36.2 in 1960; and St. John, 28 live births with a rate of 29.5. In St. Croix, 95.2 percent of all live births occurred in hospitals, in St. John, 71.4 percent, and in St. Thomas 99.2 percent. The figure for the Virgin Islands is 96.9 percent.

General Mortality.—There was a slight improvement in the mortality experience during 1961, there being 326 deaths with a rate of 9.5 per 1,000 estimated population, against 333 deaths in 1960 with a death rate of 10.0. In St. Croix there were 164 deaths with a rate of 10.6. This was a decrease in rate from 1960 when the deaths were also 164, but the rate was 10.9. In St. John there were 10 deaths and a rate of 10.5 in 1961, compared to two deaths with a rate of 2.2 in 1960. There were 152 deaths in St. Thomas with a rate of 8.4, a marked improvement over 1960 when there were 167 deaths with a rate of 9.6.

Of deaths in the Virgin Islands 18 were nonresidents—7 deaths occurring in St. Croix and 11 in St. Thomas. Of the nonresident deaths one occurred at sea in a ship's hospital, but was registered in St. Thomas as the first port of call following the death.

For the Virgin Islands 50.0 percent of all deaths were of persons 65 years and over. Figures for St. Thomas and St. Croix were 42.0 percent and 57.9 percent, respectively.

The age distribution by percentage of total and the leading causes of death follow:

Age distribution

| | Virgin Islands | | St. Croix | | St. Thomas and St. John | |
|------------------------|----------------|---------|-----------|---------|-------------------------|---------|
| | Total | Percent | Total | Percent | Total | Percent |
| Total..... | 326 | 100.0 | 164 | 100.0 | 162 | 100.0 |
| Under 1 year..... | 50 | 15.3 | 21 | 12.8 | 29 | 17.9 |
| 1-4 years..... | 6 | 1.8 | 2 | 1.2 | 4 | 2.5 |
| 5-14 years..... | 2 | 0.6 | 1 | 0.6 | 1 | 0.6 |
| 15-24 years..... | 7 | 2.1 | 3 | 1.8 | 4 | 2.5 |
| 25-44 years..... | 30 | 9.2 | 12 | 7.3 | 18 | 11.1 |
| 45-64 years..... | 66 | 20.2 | 29 | 17.7 | 37 | 22.8 |
| 65-74 years..... | 70 | 21.5 | 38 | 23.2 | 32 | 19.8 |
| 75 years and over..... | 93 | 28.5 | 57 | 34.8 | 36 | 22.2 |
| Age unknown..... | 2 | 0.6 | 1 | 0.6 | 1 | 0.6 |

Leading causes of death, Virgin Islands

| | Number | Rate ¹ | Percentage of all deaths |
|---|--------|-------------------|--------------------------|
| 1. Diseases, heart..... | 77 | 223.5 | 23.6 |
| 2. Malignant..... | 34 | 98.7 | 10.4 |
| 3. Cerebral hemorrhage and other vascular lesions affecting nervous system..... | 32 | 92.9 | 9.8 |
| 4. Certain diseases of early infancy..... | 30 | 87.1 | 9.2 |
| 5. Accidents..... | 20 | 58.1 | 6.1 |
| 6. Diabetes mellitus..... | 15 | 43.5 | 4.6 |

¹ Rate per 100,000 estimated population.

Infant Mortality.—There was no improvement in the infant mortality figures for 1961 compared with the 1960 figures. In 1961 there were 50 infant deaths with a rate of 41.9, against 39 infant deaths in 1960 with a rate of 33.0 per 1,000 live births. For St. Croix there were 21 infant deaths with a rate of 22.6 in 1960. St. John had one infant death with a rate of 35.7, and St. Thomas, 28 infant deaths with a rate of 42.3, against 27 infant deaths with a rate of 42.9 in 1960. The leading causes of infant deaths for the Virgin Islands are as follows:

| | Number | Rate ¹ | Percentage of Total |
|---------------------------------------|--------|-------------------|---------------------|
| 1. Prematurity..... | 14 | 11.7 | 28.0 |
| 2. Gastero-enteritis and colitis..... | 8 | 6.7 | 16.0 |
| 3. Asphyxia and atelectosis..... | 8 | 6.7 | 16.0 |
| 4. Pneumonia..... | 6 | 5.0 | 12.0 |

¹ Rate per 1,000 live births.

Of the 50 infant deaths 21 or 62.0 percent were neonatal deaths in 1961, as compared to 29 or 74.4 percent in 1960.

Fetal Deaths.—There were 50 fetal deaths in 1961 with a rate of 41.9 per 1,000 live births, a decrease of nine fetal deaths over 1960 when there were 59 fetal deaths with a rate of 50.0. Of fetal deaths

reported nine were of fetuses under 20 weeks gestation, and five with gestation period not started.

Maternal Deaths.—There was just one maternal death in 1961 with a rate of 0.8 per 1,000 live births. That death was for the island of St. Croix, the rate for that island being 1.9. No maternal deaths were reported in 1960.

Marriages, Divorces and Adoptions.—There was a marked increase in marriages in 1961, and an increase also in divorces. Marriage figures are 397 for 1961 compared to 359 in 1960. The figures for divorces are 152 for 1961 and 138 for 1960. The 152 divorces include one annulment for the island of St. Thomas. Of the marriages dissolved 43.4 percent had been performed in the Virgin Islands. Only three adoptions took place in the Virgin Islands in 1961, against 12 in 1960.

Population Estimates.—For the Virgin Islands the estimated population is 34,450; for St. Croix, 15,500; for St. John, 950; for St. Thomas, 18,000. Population estimates are based chiefly upon natural increase with as slight adjustment for migration figures, particularly in St. Thomas. However, consideration was given to the fact that the U.S. Naturalization and Immigration Office reported 3,726 contract workers in the Virgin Islands on March 15, 1961, an increase of 1,216 over the number present in September 1960. Of these, 500 were sugar cane workers in St. Croix who left later in the year.

From migration figures available, it seems safe to assume that with the number of job opportunities available, fewer people leave the islands than in previous years, and to assume that the aliens plus American citizens who established residence here during the year more than compensate for the loss of outgoing residents.

Printing and Graphic Section

During the fall of 1961 the Printing and Graphic Section expanded with the addition of new equipment, including a Varityper, a Meteorite photographic camera, a Headliner and a new electric typewriter. Since the addition of these items of equipment, this section has been printing most of the forms in the Department of Health. With the activities of the darkroom, the process will be accomplished with less effort.

Bureau of Maternal and Child Health and Crippled Children's Services

During the past year there has been an increase in many areas of the Maternal and Child Health and Crippled Children's Services Clinics,

and notable improvement has been achieved in many of the clinics and in the caliber of services rendered.

Both islands are now receiving the services of a resident ophthalmologist and an otologist. There are weekly otology clinics in both towns in St. Croix and the weekly clinics continue in St. Thomas. In St. Thomas there is a weekly ophthalmology clinic. In St. Croix, however, no special day has yet been set aside for children. They are now seen every day along with the other clinic patients.

A physical therapist was employed by the Knud-Hansen Memorial Hospital, thus filling a great need.

The cardiac clinic for diagnosis and treatment of children with cardiac conditions is held weekly in St. Thomas. The clinician is a staff physician with special preparation in heart disease. During the year 35 children were followed for rheumatic fever and rheumatic heart disease.

The orthopedic clinic is still being held weekly in St. Thomas and bi-weekly in St. Croix. The attendance has increased in St. Thomas to such an extent that it may be necessary to plan for additional clinics in the very near future.

Plastic surgery clinic is held monthly in St. Thomas. Patients from St. Croix and St. John are referred to St. Thomas for services.

Brace and speech clinics are also held monthly and patients are sent from St. Croix and St. John for this clinic.

Twenty pediatric patients were sent to Puerto Rico and the United States for medical treatment. Sixteen were sent to Puerto Rico and four to the United States. Two were admitted at Johns Hopkins Hospital, Baltimore, Md., for heart surgery and one for evaluation and correction of an eye condition. The other patient was admitted to Resser's Clinic for correction of scoliosis. She was accompanied by the medical and social worker on the staff. Foster home services were arranged for her in California while she received medical treatment.

The maternity services program in St. Thomas continues with clinics held twice a week. There has been a great increase in the number attending this clinic and the program of services is quite extensive with persistent followup by the Public Health nurses. Both clinics in St. Croix were relocated.

Well-child conferences are still held in the five districts and at the hospital in St. Thomas and also in the five districts and both hospitals in St. Croix.

Hospital Services

The Knud-Hansen Memorial Hospital experienced one of its worst periods of strain on all its physical facilities. Every department had to undergo unusual demands for more service, and at a time when the operating budget at the beginning of the fiscal year was known to meet approximately 71 percent of its needs. Admissions to the hospital reached an all-time high of 3,388—an increase of 310 over 1961 and an increase of 510 over 1960. Discharges of 3,268 patients also represented an increase of 306 over last year. Hospital deaths declined from 106 to 97. Out-patient clinic visits representing services performed inside the hospital totaled 23,011 although an additional 842 required services of either the Record Room or Hospital Medical Staff. The increase in clinic visits was 3,150 for the fiscal year. The hospital staff's problems included concern over the over-crowding on the medical and surgical wards; difficulty in handling the volume of out-patients crowding the clinics every day, and inability to recruit qualified capable staff in every section. The same demands on the facilities referred to in the discussion of the Knud-Hansen Hospital also apply to the St. Croix facilities. These facilities, as those in St. Thomas, were designed for a much smaller population than now exists, and did not take into consideration the influx of residents, both tourists and aliens. Services on St. John continued to increase, with clinic visits and home visits reflecting the increase in service.

Division of Public Health Services

During the past fiscal year, the evaluation of the services pointed out the need for emphasis on the development of local health services units in Christiansted, Frederiksted and St. Thomas-St. John Districts. The unit should be staffed with a local health officer. The need for increased community health services in order to reduce accidents, and other conditions amenable to good health practices is becoming more apparent. Improvements and record-keeping, including the utilization of accounting machines, will undoubtedly make this service more efficient. A study of chronic diseases in the Virgin Islands was initiated during the latter part of the fiscal year and will continue until completed. Again, in keeping with the emphasis on community health services plans are now under way to provide additional physicians to work exclusively in the Public Health Services on a full-time basis.

The Home Care program is in the fourth year of operation. The regular case load has been on the average of 76 patients. The majority of cases represent cardiovascular diseases, diabetes and para-

plegias. A specific diabetic control program was reactivated this year to provide better supervision of the diabetes clinic, better follow-up of the patients, better patient education and more instruction in the self-administration of insulin. A recent diabetic survey revealed over 200 cases of diabetes and some of these have been placed on the Home Care program. As is true elsewhere in the United States, heart disease was the leading cause of death in the Virgin Islands. Cancer is the second leading cause of death in the Virgin Islands. Principal among the various sites and types is that of cancer of the cervix. The Cancer Screening program was initiated during May 1962. Weekly clinics are held in St. Thomas and St. Croix.

Due to outbreak of smallpox in Europe, a mass immunization program was instituted in the Virgin Islands. To date, 8,714 persons have been immunized. The Bureau of Chronic and Communicable Diseases also conducted routine immunizations for the entire Virgin Islands. Two important surveys were made in an attempt to eradicate venereal disease. Alien cane cutters, brought into St. Croix by the Virgin Islands Corporation, were examined for venereal disease and filariasis in the first survey. As a result, 110 V.D. cases were discovered in St. Croix and 27 V.D. cases were discovered in St. Thomas. This survey also revealed a total of 17 positive cases of filariasis. The second survey was a venereal disease examination of the high school population in St. Thomas. Ten positive cases were detected in a total of 858 students examined. As a result of both surveys, intensive followup on cases and contacts has been instituted to control the incidence of venereal disease and effective measures are being instituted to prevent the reintroduction of filariasis into the Virgin Islands.

Bureau of Environmental Sanitation

The lack of an adequate water supply, inadequate sewage disposal and substandard housing continue to provide real problems in environmental sanitation in the Virgin Islands. While this is typical of any community of low economic standing, the development of tourism in the Virgin Islands is dependent on accelerated progress in eliminating these major sources of sanitation problems.

The problem of nightsoil elimination is complex. The majority, of the houses now receiving nightsoil services are substandard. The cost of installing adequate sanitary facilities in these homes is, in most cases, equal to more than the assessed valuation of the house. As a result, most landlords prefer to withdraw the property from the rental market and evict the tenants, rather than install the facilities.

The acute housing shortage, particularly in St. Thomas, ties nightsoil elimination closely to the housing problem.

Routine inspections were made of 212 dairy farms, restaurants, taverns, bars, hotels, and other eating and drinking establishments in St. Thomas. Similar inspections were done at 26 places on St. John and 109 in St. Croix. A total of 3,047 inspections were made this year.

While refuse collection improved tremendously, no improvement was made in the method of its disposal until the latter part of the year. A garbage collection barge was secured and placed in operation during the month of April. An incinerator for the disposal of garbage and refuse was finally completed and installed at the site of the dump in Cruz Bay, St. John.

A drastic change was made in the method of operating the *Aedes Aegypti* Eradication during the year. The present incidence of infestation in St. Thomas is now 52 percent in the town area and 35 percent in the country districts, with an average of 43 percent for the island as a whole. Some ground was lost in St. John; the incidence of infestation increased to 33 percent in June, after hitting a low of 10 percent in September 1961.

Bureau of Public Health Laboratories

With the beginning of the fiscal year 1962 the Bureau of Laboratories and the central laboratory occupied the new physical facilities in St. Thomas. During the year the Public Health Laboratories made 17,957 examinations of 15,756 specimens. There were increases in the laboratory findings of ascariasis, amoebic dysentery, gonorrhea, syphilis, trichuriasis and schistosomiasis. Increased findings can be attributed to the new procedures instituted and surveys done on imported cane cutters, food handlers and bonded workers. For example, of the nine cases of schistosomiasis, six were food handlers believed to be aliens.

In the Sanitary Bacteriology section, improvements were made in the techniques used for the examination of bacterial content and chemical purity in milk and water. A manual was prepared incorporating all procedures and normal values.

Bureau of Mental Health

The staff of the Bureau was organized to provide intensive services in essential areas, i.e., School Mental Health, Consultation, Clinics, Community Education and Research. While emphasis has been

shifted from clinics to the broader bases of community services, clinics will receive more professional man-hours than in the past, as the staff will be available to provide increased clinic hours. Cooperative relationship between the Department of Education and the Mental Health program has been made possible to move rapidly in the direction of an excellent pilot study in a school mental health program and the integration of mental health in the pupil personnel services of the schools of the Virgin Islands.

At least 75 percent of the 78 new cases received this year were young adults and children. Referrals from the Department of Education, the largest source of referrals, consisted largely of children who were presenting behavior problems in school, either in the form of truancy, learning difficulty or disturbances in the classroom to other children and the teachers. Investigation of family situation and psychological testing revealed that in many cases the children were either pseudo or actually mentally retarded; and the home situation was not conducive to stability. It was discovered also that in many instances the schools were not equipped to handle either retarded or emotionally disturbed children.

Bureau of Dental Health Services

The Bureau's program places emphasis on four main aspects of dental care: prevention, correction, education, and research. Topical fluoride application clinics have been activated during the school year in St. Thomas, St. Croix and St. John. A system of periodic screening for detection of caries and other defects has been in practice and oral hygiene instructions are given in the schools. Visits from the school population continue to increase.

Bureau of Health Education

As in previous years, the Bureau of Health Education has continued its program of developing working relationships with community groups. Activities included direct service to such groups by speaking or providing them with speakers for meetings and radio programs or with such audiovisual aids as pamphlets, posters, films, filmstrips, and transcription. Information and announcements regarding health programs were sent out to all schools, civic and religious groups. Several group meetings, workshop and discussion groups were held during the year. The Bureau continued the sponsorship of radio and television programs on health and related topics for weekly broadcast.

Division of Veterinary Medicine

During the year a brucellosis eradication program was initiated in St. Thomas and St. John. As the program neared completion at the close of the fiscal year, it appeared that these would be the first two islands declared brucellosis free. Another decrease in anaplasmosis was noted in St. Croix with only 25 new cases reported. A decrease was also noted in piroplasmosis. No bovine tuberculosis has been found or reported in the Virgin Islands. Although no cases of hog cholera were reported in any of the Virgin Islands, 1,140 pigs on St. Thomas and St. John were vaccinated simultaneously with hog cholera serum and hog cholera vaccine. An alarming increase in tetanus was noted in St. Croix. A noted improvement in the meat inspection program in St. Thomas was made during the past fiscal year. A federally approved animal quarantine station was established, six quarantine pens were fenced in, and adequate watering facilities were provided for each pen. In addition, the entire abattoir area was enclosed with chain link fencing. No modern processing equipment was added, but the entire abattoir was cleaned and painted, both inside and outside, the grounds around the building were cleared of brush and stumps, and the terrain smoothed by bulldozing. The abattoir is being operated as efficiently and hygienically as possible, but with obsolete equipment. Modern equipment for efficient plant operation and disposal of waste products is of cardinal importance. The new abattoir in St. Croix with its modern equipment will be completed soon.

*Statement of appropriations and/or allocations**Virgin Islands Department of Health**Fiscal period July 1, 1961-June 30, 1962*

| Source | Appropriations and/or allocations | Re-imbursements | Percentage of appropriations and/or allocations | Obligated and/or expended | Balance | Percentage of obligations and/or expenditures |
|--|-----------------------------------|-----------------|---|---------------------------|-------------|---|
| General fund..... | \$1,104,802.69 | ----- | 0.3203 | \$1,058,546.47 | \$46,256.22 | 0.2857 |
| Internal Revenue..... | 1,629,926.87 | ----- | .4701 | 1,629,926.87 | ----- | .4400 |
| Health revolving fund..... | 100,000.00 | 415 184.01 | .0290 | 499,463.56 | 15,720.45 | .1348 |
| Maternal and child health—Fund A ¹ | 72,591.46 | ----- | .0226 | 72,591.46 | ----- | .0196 |
| Maternal and child health—Fund B..... | 36,704.00 | ----- | .0107 | 36,704.00 | ----- | .0099 |
| Crippled children services—Fund A ¹ | 71,689.32 | ----- | .0226 | 71,689.32 | ----- | .0194 |
| Crippled children services—Fund B..... | 37,472.75 | ----- | .0109 | 37,472.75 | ----- | .0101 |
| General health ¹ | 7,886.06 | ----- | .0023 | 7,886.06 | ----- | .0021 |
| Venereal disease ¹ | 6,143.66 | ----- | .0018 | 6,143.66 | ----- | .0017 |
| Tuberculosis control ¹ | 8,263.00 | ----- | .0024 | 8,263.00 | ----- | .0022 |
| Chronically ill and aged..... | 12,000.00 | ----- | .0035 | 12,000.00 | ----- | .0032 |
| Mental health ¹ | 39,968.87 | ----- | .0116 | 39,968.87 | ----- | .0108 |
| Heart disease control..... | 9,675.85 | ----- | .0028 | 9,675.85 | ----- | .0026 |
| Cancer control ¹ | 5,242.79 | ----- | .0015 | 5,242.79 | ----- | .0014 |
| Private contributions (T)..... | 30,933.91 | ----- | .0090 | 27,115.29 | 3,818.62 | .0073 |
| Private contributions (C)..... | 4,414.16 | ----- | .0013 | 3,107.25 | 1,306.91 | .0008 |
| Water pollution..... | 5,477.00 | ----- | .0016 | 5,477.00 | ----- | ----- |
| Venereal disease—Matching..... | 6,932.89 | ----- | .0020 | 6,932.89 | ----- | ----- |
| Tuberculosis—Matching..... | 8,300.00 | ----- | .0024 | 8,300.00 | ----- | ----- |
| Mental health—Matching..... | 40,000.10 | ----- | .0116 | 40,000.10 | ----- | ----- |
| Heart disease control—Matching..... | 6,400.00 | ----- | .0019 | 6,400.00 | ----- | ----- |
| Cancer control—Matching..... | 6,000.39 | ----- | .0017 | 6,000.39 | ----- | ----- |
| General health—Matching..... | 8,491.45 | ----- | .0025 | 8,491.45 | ----- | .0023 |
| N.C.H.—Matching..... | 37,547.99 | ----- | .0109 | 37,547.99 | ----- | .0101 |
| C.C.—Matching..... | 28,551.95 | ----- | .0083 | 28,551.95 | ----- | .0077 |
| Water pollution—Matching..... | 3,977.29 | ----- | .0012 | 3,977.29 | ----- | .0011 |
| Medical assistance fund..... | 22,045.53 | ----- | .0064 | 22,045.53 | ----- | .0060 |
| Hospital construction..... | 65,301.00 | ----- | .0190 | 62,004.86 | 3,296.14 | .0167 |
| Medical practice fund..... | 13,954.05 | ----- | .0041 | 2,382.79 | 11,571.26 | .0045 |
| Home care program—Matching..... | 13,800.97 | ----- | .0040 | 13,800.97 | ----- | ----- |
| | 3,444,493.00 | 415,184.01 | 100 | 3,777,710.41 | 81,969.60 | 100 |

SUMMARY OF OPERATIONAL COST

| | | | | | | |
|--|------------|------------|--|--------------|--------------|--|
| Gross operational cost..... | | | | | 3,777,710.41 | |
| Less assets: | | | | | | |
| Cash—Medical care..... | | 387,793.00 | | | | |
| Cash—Veterinary services and services of environmental sanitation..... | | 1,898.42 | | | | |
| Accounts receivable..... | 320,829.00 | | | | | |
| Less 40 percent of the amount that be determined medically indigent..... | 128,331.60 | 192,497.40 | | 192,497.40 | 582,193.82 | |
| Net operational cost..... | | | | 3,195,516.59 | | |
| Per capita gross, \$106.62. | | | | | | |
| Per capita net, \$90.19. | | | | | | |

¹ Matching requirements: \$1.00 State for \$1.00 Matching.

Division of Hospitals and Medical Services
Summary comparison of services and earnings
Fiscal years 1961-62

| Section and service | Code | Total fiscal 1961 | Total fiscal 1962 | Increase or decrease | Percentage of increase or decrease |
|--|------|----------------------|----------------------|-------------------------|--|
| Receipts for the year: | | | | | |
| Hospital collections offices..... | | 88,640.00 | 198,923.00 | 110,283.00 | 124.4 |
| Payments for contract services rendered | | | 108,000.00 | 108,000.00 | |
| Federal programs..... | | 158,904.00 | 80,875.00 | -78,029.00 | -49.1 |
| Payments based on statistical information..... | | | | | |
| Total receipts for the year..... | | 247,544.00 | 387,798.00 | 140,254.00 | 56.7 |
| Services rendered: | | | | | |
| Room and board..... | 7703 | 281,113.00 | 400,208.00 | 119,095.00 | 42.4 |
| Surgical operations..... | 7704 | 24,090.00 | 30,315.00 | 6,225.00 | 25.8 |
| Dental services..... | 7705 | 28,714.00 | 41,497.00 | 12,783.00 | 44.5 |
| Outside calls..... | 7706 | 114.00 | | -114.00 | -100.0 |
| Drugs and medicines..... | 7708 | 58,268.00 | 49,955.00 | -8,313.00 | -1.4 |
| Physiotherapy..... | 7709 | 1,109.00 | 1,078.00 | -31.00 | -2.8 |
| X-ray services..... | 7710 | 23,716.00 | 29,157.00 | 5,441.00 | 22.9 |
| Ambulance services..... | 7711 | 1,057.00 | 1,020.00 | -37.00 | -3.5 |
| Laboratory services..... | 7712 | 43,893.00 | 75,853.00 | 31,960.00 | 72.8 |
| Examinations..... | 7713 | 32,892.00 | 64,395.00 | 31,503.00 | 95.7 |
| All other services..... | 7714 | 36,294.00 | 39,604.00 | 3,310.00 | 9.1 |
| Gross earnings..... | 7702 | 531,260.00 | 733,082.00 | 201,822.00 | 38.0 |
| Less free services..... | | 250,544.00 | 329,842.00 | 79,298.00 | 31.6 |
| Net earnings..... | | 280,716.00 | 403,240.00 | 122,524.00 | 43.6 |
| Less receipts (see line 4 above)..... | | 247,544.00 | 387,798.00 | 140,254.00 | 56.6 |
| Additions to accounts receivable..... | | 33,172.00 | 15,442.00 | -17,730.00 | -53.4 |

Statistical data on medical institutions

Fiscal year ended June 30, 1962

| | Charlotte Amalie | Christian- sted | Frederiksted | Herbert Grigg Home ¹ |
|--|---------------------|--------------------|--------------|---------------------------------------|
| Number of hospital beds..... | 119 | 60 | 10 | 120 |
| Number of bassinets..... | 23 | 10 | 4 | |
| Maximum occupancy..... | 121 | | | 118 |
| Minimum occupancy..... | 70 | | | 104 |
| Average occupancy..... | 81 | 54 | 12 | 110 |
| Number of physicians..... | 24 | 9 | 3 | 1 |
| Number of graduate nurses..... | 36 | 27 | 8 | 4 |
| Number of practical nurses..... | 30 | 17 | 4 | 2 |
| Number of nurse aides..... | 27 | 23 | 4 | |
| Number of orderlies..... | 9 | 3 | | |
| Live births in hospital..... | 739 | 358 | 133 | |
| Still births in hospital..... | 37 | 16 | 2 | |
| Deaths in hospital..... | 97 | 53 | 38 | |
| Deaths out of hospital..... | 55 | 35 | 3 | |
| Admissions to hospital..... | 3,388 | 2,185 | 644 | 23 |
| Patient days in hospital..... | 34,574 | 19,858 | 4,506 | 21,094 |
| Clinic visits..... | 30,960 | 21,097 | 14,126 | |
| Major surgical cases..... | 320 | 241 | | |
| Minor surgical cases..... | 398 | 239 | 786 | |
| Number of X-ray examinations..... | 5,239 | 2,872 | 394 | |
| Number of laboratory examinations..... | 52,108 | 38,171 | 17,633 | |

¹ Transferred to Department of Welfare.

² Part-time.

Department of Housing and Community Renewal

The creation of the Department of Housing and Community Renewal by Act. No. 903, approved June 18, 1962, was the culmination of an examination by a professional firm of the overall management of the public programs in the field of housing.

Under this department all housing activities of the Government were centralized. The homestead and home loan programs were transferred from the Department of Property and Procurement, and the emergency housing program was transferred from the Department of Social Welfare. The Altona Community Development and the Bordeaux Community Development were also transferred from the Office of the Governor and the Office of the Government Secretary, respectively.

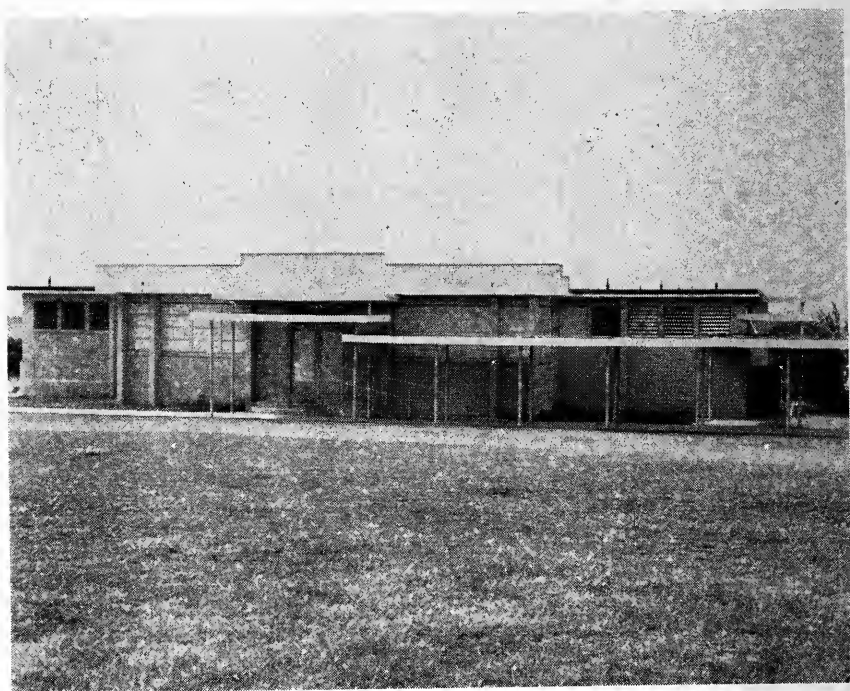
The head of the department is, by law, chairman of the Virgin Islands Housing Authority, which has the responsibility of constructing and administering low rent public housing projects partly financed with Federal funds. He is also chairman of the newly created Virgin Islands Urban Renewal Board which is responsible for urban renewal projects financed by local and Federal funds. Thus, related housing and community renewal activities are coordinated and represented on the cabinet level of the Government.

Although the Department of Housing and Community Renewal was created late in the fiscal year, a great deal of work was accomplished in coordinating and initiating a middle income housing development and advancing the emergency housing program through the assignment of a special assistant to the Governor as Housing Coordinator.

The Altona Community Development

By the end of the previous fiscal year, 15.64 acres of land had been acquired in St. Thomas for the Altona Community Development, for the purpose of resettling occupants of superfluous houses in safe, sanitary and decent owner occupied dwellings.

A rather unique method of stimulating competition among private contractors was initiated for construction of the dwelling units. Private contractors were encouraged to submit plans and specifications for a dwelling unit and quote a price for the construction of the building ready for occupancy. The minimum requirements were: (1) a three-bedroom unit; (2) not less than a 10,000 gallon cistern; (3) adequate sanitary facilities, including hot and cold running water; and (4) a price of not more than \$9,000.



Clinical Annex, Charles Harwood Memorial Hospital, Christiansted, St. Croix. Completed in July, 1961, at a cost of \$260,000. The building contains clinical offices, laboratory and other facilities accessory to the basic hospital.

Seven construction firms took part in this unique competition quoting prices ranging from \$8,000 to \$9,000, for construction of houses of asbestos cement panels, steel or wood frames, and concrete blocks. A larger building for demonstration purposes was constructed for \$10,000. The first construction order was given on September 1, 1961. Before the end of the fiscal year the eight buildings were completed and ready to be evaluated by a team of experts. The evaluation team will select the model house which is the most feasible offer, taking into consideration building materials, workmanship, type of construction, engineering and architectural features, and price quotations.

At the close of the fiscal year the site lay-out plan for the development project was being reviewed by the Planning Board. It is expected that work on the first 40 or 50 dwelling units will begin early in the next fiscal year.

Workable Program for Community Improvement

The Government of the Virgin Islands is required by local law to prepare annually a workable program for community improvement.

This program is required to include provisions for the prevention of the spread of blight into areas of the community through enforcement of housing, zoning and occupancy controls and standards. A workable program is also required in order that the Virgin Islands may be eligible for public housing, urban renewal and other special assistance programs of the Federal Housing and Home Finance Agency.

For the first time a workable program, prepared in accordance with Federal requirements was submitted to the Housing and Home Finance Agency. The goals and objectives under this workable program to be achieved during the next fiscal year include:

- (1) Approval by the Legislature of the zoning maps and subdivision regulations,
- (2) Revision of the building code,
- (3) Adoption of a housing code,
- (4) Revision of the master plans for which Federal funds have been provided, and
- (5) A Community Renewal program study, for which Federal funds will be made available.

General Comments

During this fiscal year a great deal of time and effort were expended in analyzing the housing problems, determining the administrative organization needed to tackle the problem effectively, and in initiating short range plans for immediate relief.

In the next fiscal year more emphasis will be placed on actual construction of houses and in devising long range plans for housing and community development.

Virgin Islands Housing and Urban Renewal Authority

During the fiscal year, the Housing Authority was engaged in the management of six developments on St. Thomas and St. Croix, namely: Paul M. Pearson Gardens and H. H. Berg Homes in St. Thomas; D. Hamilton Jackson Terrace, and Bassin Triangle in Christiansted; and Marley Homes and Ludvig E. Harrigan Court in Frederiksted, St. Croix. The total number of apartments in this program is 530.

The average contract rent as of June 30, 1962 was \$26.63 per month. Nevertheless, more than 40 percent of the tenants are paying less than \$20 per month. Because of the relatively low income from tenant families as compared with rentals on the mainland, the Public Housing program in the Virgin Islands is very much dependent upon the

Federal contribution which amounts to about \$2 for each \$1 derived from rentals.

Turnover in public housing is very low. This is easily understood when it is considered that rentals are as low as they are in the Virgin Islands projects. Because of this small turnover and the absence of adequate housing on the private market, the waiting list of applicants is ever increasing on both islands. It is feared that even with the completion of the projects now in the development stage there will be little change in the seriousness of the housing shortage, inasmuch as the new projects will be used in part as relocation facilities for families presently living in the proposed urban renewal areas. The problem of inadequate housing would be aggravated by effective closing or demolition of buildings which are in such poor condition as to be considered hazards.

The Public Housing Program

The Oswald E. Harris Court, a 300-unit development on the Island of St. Thomas, is considerably behind schedule and according to present estimate will not be completed before the end of the calendar year 1962. Approximately 25 percent of the units in this project will be reserved as a relocation facility for families living in the Barracks Yard Urban Renewal area. At least another 12 percent will be required for the transfer of families residing in the Berg Homes and Pearson Gardens whose size require larger apartments.

The Ralph de Chabert Place, a 264-unit development on the Island of St. Croix, is scheduled to be completed and ready for occupancy by January 1963. Slightly over 30 percent of the units in this project will be required for the families living in the Water Gut Urban Renewal area and about 10 percent of the remaining units will be required for the transfer of families living in public housing.

The Authority is planning for four new projects with a total of 480 units, all of which should enter the construction stage during the calendar year 1963. Planning work is proceeding rapidly on three of the four projects. The fourth project, which will be comprised of 168 units, is to be located in the Lindbergh Bay Area on the island of St. Thomas.

At the request of the Governor, the chairman and executive director of the Authority, together with the regional director of the Public Housing Administration, made a study of the housing conditions in the various villages operated by the Virgin Islands Corporation for its field workers on the Island of St. Croix. The purpose of this investigation was to determine whether it would be feasible to effect extensive renovation to the structures being used to house the families of

workers. In a report submitted to the Governor it was stated that renovation was not feasible and it was strongly recommended that consideration be given to requesting public housing units to replace the dilapidated slum structures in the various villages.

During the month of May 1962, the Authority sold its third issue of new housing bonds amounting to \$7,495,000.

Urban Renewal

Preliminary planning work on three urban renewal projects was completed, and Part I of Applications for Loans and Grants were filed with the Urban Renewal Administration during the last week of the fiscal year covered by this report.

It is expected that the proposed projects, namely: the Barracks Yard area in Charlotte Amalie, the Water Gut and Lagoon Street areas in Christiansted and Frederiksted, St. Croix, respectively, will be determined to be feasible and that approval of the applications by the Housing and Home Finance Agency will be forthcoming.

Legislation has been adopted and approved by the Governor which would separate the urban renewal and public housing functions. The enactment provides for the creation of a new agency to be known as "The Virgin Islands Urban Renewal Board" which will administer the urban renewal program. The agency known as the Virgin Islands Housing and Urban Renewal Authority will be renamed "The Virgin Islands Housing Authority" and will be concerned with the federally-aided low rent housing program only.

Department of Law

Act No. 855 of the Fourth Legislature, approved March 29, 1962, established the Department of Law as an executive department in the Government of the Virgin Islands, effective April 1, 1962. The newly created department took over the functions, property and personnel of the former Department of Law attached to the Office of the Governor. The approval of the Secretary of the Interior, as required by section 16(a) of the Revised Organic Act of the Virgin Islands, was obtained prior to the creation of the new department.

As the fiscal year 1962 commenced, the legal staff of the Department was comprised of the Attorney General and one assistant. In the course of the year another assistant Attorney General was added, and in anticipation of increasing work loads, two more assistants, one for St. Croix, were authorized for the next fiscal year.

The Department of Law appeared for the Government in over 3,000 criminal matters before the Municipal Courts in Charlotte

Amalie, Cruz Bay, Christiansted, and Frederiksted. In addition, 34 civil cases in the District Court were handled by the department.

Opinion writing and counselling services to the departments, particularly in connection with stepped up activities in procurement, public works, and the tax incentive programs, continued to show a marked increase. Over 100 separate items of legislation were drafted or reviewed for the regular session and four special sessions of the legislature which occurred in the fiscal year.

Department of Property and Procurement

Division of Procurement and Supply

This Division experienced a tremendous increase in workload during the year, as evidenced by the fact that direct orders, telephonic bids, Federal supply purchases, and contracts processed totalled \$6,582,993.07, which figure does not include "more or less" contracts for which purchase orders are issued by the individual departments.

Of the above amount, \$2,621,056.64 was spent for construction contracts; \$1,201,801.11 for St. Thomas; \$1,092,009.53 for St. Croix; and \$327,246 for St. John.

Toward the close of the fiscal year, the Legislature of the Virgin Islands passed, and the Governor approved, Act No. 886 which permits the purchase of supplies and equipment, without advertising for bids under existing contracts of the General Services Administration, Federal Supply Service, which gives greater flexibility to the various departments and agencies in acquiring their needs.

Property Division

During fiscal year 1962 a property manual was prepared by the Property Division, with the assistance of the Government Comptroller for the Virgin Islands. This manual was approved by the Governor on December 28, 1961.

Physical inventories of government property were conducted and record cards prepared for each item. Departmental listings are now being prepared and departments will be furnished with this information shortly.

A more active part is being taken in the matter of surplus property which is available to the Government of the Virgin Islands as a result of conferences held with the Puerto Rico State Agency for Surplus Property.

Land Division

The activities of this Division were curtailed to a great extent during the fiscal year 1962 as far as the Homestead and Home Loan program was concerned. This was due largely to the lack of funds for Home Loans.

With the reduction of work in this area, attention was directed to the matter of a much needed weights and measures program.

Top personnel received training in this field in Puerto Rico, several pieces of equipment needed for this program were purchased, and an appropriate Weights and Measures Law was presented to the Legislature for study.

In the field of price and rent control appropriate legislation was prepared and sent to the Legislature, which referred it to a Committee for study and recommendation.

Operating expenses in the Department of Property and Procurement were as follows:

| | |
|---|----------------|
| Office of the Commissioner..... | \$100, 595. 68 |
| Division of Procurement and Supply..... | 64, 310. 19 |
| Property Division..... | 83, 591. 89 |
| Land Division..... | 47, 360. 94 |
| Total | 295, 858. 70 |

Department of Public Safety

With the designation of a new Commissioner on February 19, 1962, the work of the Department was stepped up and by the end of the fiscal year improvements had been noted. The Police Division was reorganized and the number of patrolmen increased to a complement more adequate for community needs: the Traffic Bureau was expanded: in-service training for policemen and firemen was intensified; surveys for a new penitentiary were completed; and the Civil Rights Panel and Traffic Advisory and Safety Committee were organized. However, there is still much more to be done before the Department can render the type of service required of it.

Bureau of Criminal Investigation

The position of Investigator, St. Croix, was added to the staff in order to enhance the work of the Bureau. During the year 1,242 criminal cases were investigated as compared with 669 for the previous year. Although the increase was considerable, the proportion to total population is still minute and is a situation to be expected in a

community which is fast developing industrially and depends largely upon the importation of alien labor. The following chart gives a summary of the types of cases handled during 1962:

Number of criminal cases handled.

| Type | St. Thomas | St. Croix | Total |
|------------------------------|------------|-----------|-------|
| Criminal homicide..... | | 3 | 3 |
| Rape..... | 11 | 11 | 22 |
| Robbery..... | 5 | 5 | 10 |
| Aggravated assault..... | 14 | 37 | 51 |
| Burglary..... | 152 | 106 | 258 |
| Petty larceny..... | 243 | 129 | 372 |
| Grand larceny..... | 85 | 43 | 128 |
| Auto thefts..... | 7 | 16 | 23 |
| Other assaults..... | 10 | 17 | 27 |
| Forgery..... | 30 | 16 | 46 |
| Embezzlement and fraud..... | 19 | | 19 |
| Stolen property..... | 1 | 8 | 9 |
| Weapon-possession..... | 8 | 16 | 24 |
| Sex offenses..... | 3 | | 3 |
| Offenses against family..... | 1 | | 1 |
| Drunkenness..... | | 1 | 1 |
| Disorderly conduct..... | 1 | 24 | 25 |
| Gambling and vagrancy..... | | 3 | 3 |
| All other offenses..... | 72 | 145 | 217 |
| Total..... | 662 | 580 | 1,242 |

Patrol Bureau

The tremendous growth of the Virgin Islands has increased the need for more patrolmen, and in an effort to meet this requirement 25 men were added to the force. A reorganization of the Bureau and promotions within the ranks improved morale and general efficiency. Added to this, in-service training of the men by members of the Federal Bureau of Investigation continued this year and brought encouraging results by permitting a small police force to deal effectively with the general public.

Highway Patrol

The campaign to provide more safety on the public highways was intensified this year, but in spite of this effort the number of traffic accidents increased to 924 as compared with 600 for the previous year. The number of deaths from accidents decreased from eight to four this year. A total of 248 drivers' licenses were suspended. The situation is growing serious as the number of vehicles increase at an alarmingly fast rate and congest the streets and roads. To meet this problem in part, four new motorcycles have been acquired in order to provide greater mobility so that a limited Highway Patrol unit could control the movements of more than 7,369 registered vehicles.

Vehicular registration and licensing—Virgin Islands

| | 1958 | 1959 | 1960 | 1961 | 1962 | 1961 | | 1962 | |
|-----------------------------------|----------|----------|-----------|-----------|-----------|------------|-----------|------------|-----------|
| | | | | | | St. Thomas | St. Croix | St. Thomas | St. Croix |
| Motor vehicles—private | 2,517 | 3,414 | 3,027 | 3,610 | 4,185 | 2,030 | 1,580 | 2,251 | 1,934 |
| Taxicabs and rented cars..... | 644 | 1,009 | 1,237 | 1,339 | 1,371 | 976 | 363 | 951 | 420 |
| Trucks—pickups..... | 644 | 479 | 1,206 | 1,537 | 1,782 | 664 | 873 | 803 | 979 |
| Buses..... | 13 | 32 | 30 | 35 | 31 | 20 | 15 | 10 | 21 |
| Trailers..... | — | — | — | 28 | 28 | — | 28 | 11 | 17 |
| Motorcycles..... | 29 | 24 | 47 | 91 | 72 | 48 | 43 | 29 | 43 |
| Motorbicycles..... | — | — | — | 16 | 24 | — | 16 | — | 24 |
| Motorsecooters..... | 35 | 51 | 136 | 82 | 96 | 41 | 41 | 46 | 50 |
| Tractors..... | — | — | — | 11 | 5 | 6 | 5 | 5 | — |
| Bicycles..... | 508 | 665 | 713 | 385 | 850 | 48 | 337 | 410 | 440 |
| Drivers' licenses: | | | | | | | | | |
| Private..... | 3,577 | 3,578 | 6,064 | 6,772 | 7,848 | 3,469 | 3,303 | 3,780 | 4,068 |
| Taxi..... | 702 | 859 | 600 | 1,063 | 1,219 | 554 | 509 | 650 | 569 |
| Learners' permits..... | 842 | 769 | 1,026 | 1,131 | 1,561 | 746 | 385 | 1,021 | 540 |
| Motor vehicle transfers..... | 331 | 825 | 1,005 | 1,061 | 1,640 | 495 | 566 | 997 | 643 |
| Traffic tickets issued..... | — | — | 1,877 | 2,888 | 2,682 | 2,112 | 776 | 1,784 | 898 |
| Fees from registration..... | \$94,630 | \$95,674 | \$117,078 | \$136,275 | \$163,736 | — | — | — | — |
| Fines for traffic violations..... | 3,392 | 10,005 | 15,429 | 21,785 | 25,215 | — | — | — | — |
| Visitors' permits..... | 6,371 | 9,719 | 14,846 | 15,194 | 21,907 | — | — | — | — |

Law Enforcement

The following figures show the activities of the Police Division as compared with the previous fiscal year:

| | | |
|--|-------|-------|
| (a) Handled by foot patrol bureau: | 1961 | 1962 |
| St. Thomas and St. John..... | 270 | 211 |
| St. Croix..... | 454 | 527 |
| (b) Handled by Bureau of Criminal Investigation..... | 669 | 1,242 |
| (c) Traffic violations brought to Court: | | |
| St. Thomas..... | 2,104 | 1,784 |
| St. John..... | 26 | 21 |
| St. Croix..... | 776 | 1,051 |

Marshal service to the Municipal Courts was provided on an average of $4\frac{3}{4}$ days a week as follows:

| | St. Croix | St. Thomas |
|-------------------------|-----------|------------|
| Criminal summons..... | 4,321 | 7,968 |
| Civil summons..... | 895 | 1,324 |
| Writs of execution..... | 204 | 493 |
| Conciliations..... | 549 | 341 |
| Automobile liens..... | — | 42 |
| Traffic summons..... | 221 | 35 |
| Warrants of arrest..... | 11 | 96 |

Insular Boys' Shelter

Since the shelter opened in St. Croix on July 22, 1960 to receive delinquent boys committed by the Juvenile Court, 42 boys have been admitted. Of these, 17 were released to their homes, 10 were sent to

the Insular Training School, 1 was returned to Puerto Rico, 1 was sent to a Federal detention home in the United States, and 1 alien boy was returned to his home island, leaving 12 boys resident at year end. During the year it was possible to add another counsellor to the staff of carpenters and painters. Projects were primarily installation of plumbing facilities in various properties and extensive wood-work repairs to nine offices in the Welfare Building.

Richmond Penitentiary

During the year there were 143 admissions and at the end of the year there were 38 inmates. Through the program, Richmond Prison Industries, inmates continued to receive training in new skills and trades and were able to earn a small income of \$1,837.58 while learning. The prison farm project produced much of the food used by the penitentiary as well as many hours of useful occupation for the inmates.

A highlight of 1962 was the survey and report by the Director of Federal Prisons in which the present penitentiary built in 1836 was declared obsolete and unsuitable to the purpose for which it was being used. It is hoped that soon measures may be instituted to implement the recommendations for the construction of a new prison and its relocation to a more adaptable area.

Fire Division

The Fire Division responded to 178 fire calls, an increase of 69 fires over the figure for the previous year. Fire losses in St. Thomas and St. Croix amounted to \$34,378 as against last year's loss of \$26,972. One fire occurred in St. John, with a loss of \$1,200.

The Division continued its schedule of weekly drills and in addition provided intensive training in extinguishing flammable liquid fire and the use of fire entry and proximity suits. Plans are being made to send two men for advanced study at the New York City Fire College. A reorganization of the Division by establishment of two new positions of captain and promotions from within the ranks have improved morale and the service in general.

With the population increasing as rapidly as it has been in recent years, there is dire need for a reliable alarm system whereby boxes could be conveniently located throughout the city so that fires may be reported quickly. The present method of calls through the telephone operator is time-losing, resulting in greater exposure of life and property before assistance can be given.

Civil Defense

This program is concerned with developing potential to meet man-caused or natural emergencies. During the year, a basic plan of operations was designed to coordinate the activities of various agencies such as the American Red Cross and the Department of Social Welfare to serve with Civil Defense in disaster relief, particularly from hurricanes which are annual threats to the islands; improvements were made with regard to inter-island communication and the system was expanded to include the National Park Service; a number of emergency and fallout shelter areas were designated. Air raid and other drills were carried out from time to time. An officer was appointed to the St. Croix staff in order to advance the program in that island. The local office maintained close contact throughout the year with National Headquarters so as to be certain of new developments and techniques in Civil Defense plans or operations.

Home Guard

The St. Thomas Home Guard assisted the local police with auxiliary duties such as directing traffic, patrolling highways, and serving as wardens in Civil Defense. This year the St. Croix Home Guard was reactivated with the formation of a unit in Christiansted. A training program in the use of firearms is being initiated. The major problem still remains that of finding suitable quarters for both the St. Thomas and St. Croix units.

Police and Fire Commission

The Commission held five hearings for the year involving charges of insubordination or conduct unbecoming an officer. Suspensions ranging from one to ten days were ordered in all five cases.

Parole Board

The Parole Board held its regular twice-a-year meetings and applicants for parole were heard and cases reviewed. At the December 1961 meeting at Richmond Penitentiary 14 cases came before the Board for recommendation. Of that number five were recommended for parole and later approved by the Governor. In June 1962, eleven cases came before the Board for examination; of that number eight were recommended for parole and later granted parole by the Governor.

During the year, under the Interstate Compact Agreement four cases were accepted for supervision from outside the Virgin Islands.

One case from St. Thomas was accepted for supervision by the New York Parole Board. At present the Board has a total of 12 cases under supervision. Two were terminated, one by expiration of sentence and the other because of death. This present load case of 12 also represents the Interstate Compact cases.

Budget

The actual obligations incurred for operating the Department of Public Safety over the past 5 fiscal years may be observed from the following comparative chart:

| | 1958 | 1959 | 1960 | 1961 | 1962 |
|-----------------------------------|----------|----------|----------|----------|----------|
| Commissioner's office..... | \$26,084 | \$29,715 | \$31,018 | \$80,751 | \$98,789 |
| Police and Prison Department..... | 257,346 | 335,256 | 401,382 | 482,998 | 548,293 |
| Fire Division..... | 53,162 | 90,944 | 116,731 | 129,660 | 134,003 |
| Police and Fire Commission..... | 89 | 29 | 110 | 251 | 261 |
| Parole Board..... | 69 | 68 | 192 | 112 | 95 |
| Home Guard..... | 16 | 396 | 1,267 | 3,951 | 2,653 |
| Civil Defense..... | 3,928 | 1,518 | 2,618 | 2,434 | 5,617 |
| Total..... | 340,694 | 457,926 | 553,318 | 700,157 | 789,741 |

Department of Public Works

General

In fiscal year 1962, certain changes in the functional structure of the department were necessary to properly allocate the services and cope more effectively with the ever increasing work load. The Division of Construction and Maintenance was abolished and replaced by three new divisions—Engineering, Real Property Maintenance, and Equipment Maintenance. Accomplishment of the increased work load of the department is greatly handicapped by inability to attract competent field project supervisors due to the generally lower wage scale than is offered by private contractors.

The sum of \$2,391,652 was obligated for routine functions in St. Thomas, St. Croix and St. John, including administration, maintenance of streets and highways, collection and disposal of garbage and rubbish, operation of the salt and potable water systems, night soil removal service, and maintenance of public buildings and structures.

The sum of \$2,219,500 was obligated for essential public projects under the Internal Revenue Matching Fund.

Roads and Highways

General improvement in the local economy and tourist trade increased tremendously the number of vehicles operating on the public roads and highways. As a result, maintenance of existing roads has

become a serious and taxing problem, and the demand for new and improved roads is now urgent. This year, in St. Thomas, 4.37 miles of streets were repaired, and 9.82 miles of roads were paved. While this represented special emphasis on road work as compared with other fiscal years, there is much more to be done. Actually, the most logical solution to the problem appears to be a master road plan considering the load and volume of all types of vehicles, followed by a coordinated program of construction.

Street Cleaning and Garbage Removal Service

This year, the Sanitary Division in St. Thomas made appreciable progress with the major problem of keeping the city of Charlotte Amalie and its environs free from garbage and rubbish. This was accomplished by the use of mechanical sweepers together with a special dump truck which loaded and disposed of garbage collected in large storage bins distributed throughout the island. Further improvement was brought about by elimination of the city dump and transporting garbage and refuse out to sea by barge. In St. Croix, five new garbage trucks acquired during this year have greatly increased the efficiency of the service.

Night Soil Removal Service

Plans had been made to make connections to the sewer system gradually, so that an orderly and complete elimination of the Night Soil Removal Service would be accomplished by December 31, 1962. This target date could not be met due, primarily, to refusal on the part of owners of low-rent properties to install relatively high cost fixtures. Progress has been too slow, even though loans were provided to assist persons otherwise unable to make the required installations. While some delay was occasioned by the difficulty of laying sewer lines through rocky substrata, the general reason may be attributed to an acute housing shortage which made it virtually impossible to relocate tenants from areas where connections were to be made.

Water Supply

The total annual rainfall this year was 46.95 inches as compared with 33.47 inches in 1961. Each year this source has to be supplemented in order to meet the heavy domestic and commercial requirements of the islands. In St. Thomas where the situation is especially serious, water has to be hauled daily from Puerto Rico by a self-propelled barge of approximately 250,000 gallon capacity. In addi-

tion, potable water from the airport runway has to be pumped into the city area. This year 103,165,140 gallons were delivered through underground lines while the barge brought in 84,354,300 gallons on a total of 312 trips.

Installation of a salt water distribution plant by the Virgin Islands Corporation was a major contribution in the efforts of the Government to solve the water problem. This plant, put into operation on February 28, 1962, produced 25,671,700 gallons of water for use principally by hotels and business places. However, even with implementation of the water supply from the distillation plant, the demand has increased to a point where no substantial reserve storage can be maintained.

A 1,000,000-gallon cistern was constructed to increase the storage of potable water to 11,147,000 gallons. New pumps were installed to increase the pressure in the distribution system.

Matching Funds Program

A major activity of the department involves the planning, design, administration and construction of essential public projects authorized under the Internal Revenue Matching Fund. This year the principal projects in St. Thomas included construction of roads, completion of two elementary schools, extension of the airport and remodeling of buildings to house government agencies. On St. Croix, precedence was given to dredging of the harbor, completion of the Frøderiksted Pier, starting of the pier and bulkhead in Christiansted Harbor, and extension of airport runway to facilitate landing of jet aircraft. Completion of the Christiansted Pier, together with the Corps of Engineers dredging project now in progress in the harbor, will effectively convert Christiansted Harbor into a major port. On St. John, additions were made to the water supply system and paving of the Centerline Road started. Plans were finalized for the addition to the schools and quarters for nurses.

Public Buildings

In St. Thomas, this work covered the complete renovation of a building to provide adequate space for the Department of Finance and the newly installed IBM data-processing equipment. In St. Croix, extensive repairs were made at the Herbert Grigg Home, Department of Social Welfare and at the Department of Finance to install service facilities, enlarge office space and improve the general working environment.

PUBLIC WORKS STATISTICS
Utilities and inspection

| Building permits | Number | 1958 Estimated construction costs | Number | 1959 Estimated construction costs | Number | 1960 Estimated construction costs | Number | 1961 Estimated construction costs | Number | 1962 Estimated construction costs |
|-------------------------|--------|--|--------|--|--------|--|--------|--|--------|--|
| St. Croix | 141 | \$1,912,236.00 | 124 | \$1,253,214.00 | 210 | \$2,288,719.00 | 224 | \$3,019,441.00 | 271 | \$4,176,536.00 |
| St. Thomas and St. John | 330 | 927,896.00 | 340 | 3,258,753.00 | 378 | 3,190,527.00 | 450 | 6,363,482.00 | 503 | 7,017,972.00 |

NUMBER OF SANITARY INSTALLATION PERMITS

| | 1955 | 1959 | 1960 | 1961 | 1962 |
|---|------|------|------|------|------|
| Installation permits—St. Thomas | 116 | 182 | 135 | 187 | 324 |
| Sewer connection permits | 77 | 84 | 68 | 72 | 132 |
| Water connection permits | 20 | 35 | 19 | 42 | 91 |
| Electric installation permits—St. Croix | 281 | 263 | 299 | 343 | 470 |
| Electric installation permits—St. Thomas and St. John | 206 | 249 | 311 | 302 | 422 |

NUMBER OF PROPERTIES CONNECTED TO SALT WATER SYSTEM

| | | | | | |
|----------------------------|-------|-------|-------|-----|-----|
| St. Croix | 16 | 16 | 16 | 16 | 16 |
| St. Thomas | 320 | 326 | 326 | 382 | 430 |
| St. Thomas—new connections | ----- | ----- | ----- | 19 | 91 |

NUMBER OF POTABLE WATER CONNECTIONS

| | | | | | |
|---|-----|-----|-----|-----|------|
| St. Croix—new connections | 52 | 46 | 70 | 79 | 78 |
| St. Thomas—new connections | 46 | 18 | 17 | 68 | 172 |
| Total number of potable water connections | 586 | 640 | 727 | 864 | 1016 |

POTABLE WATER CONSUMPTION

| | | | | | |
|---|--------------|--------------|--------------|--------------|---------------|
| Potable water pumped from wells..... | 30, 270, 923 | 30, 110, 766 | 43, 503, 928 | 47, 628, 528 | 48, 501, 765 |
| Potable water brought in by barges..... | 39, 349, 600 | 49, 665, 800 | 67, 740, 800 | 89, 103, 300 | 84, 354, 300 |
| Potable water hauled by trucks to consumers..... | 602, 250 | 556, 250 | 25, 785 | 625, 500 | 1, 573, 000 |
| Potable water used by consumers by meters..... | 58, 439, 070 | 64, 204, 620 | 87, 400, 006 | 90, 475, 685 | 103, 165, 400 |
| Average daily consumption—St. Thomas..... | 190, 000 | 200, 000 | 220, 000 | 250, 000 | 300, 000 |
| Average daily consumption—St. Croix..... | 82, 934 | 82, 495 | 120, 000 | 130, 516 | 132, 880 |
| Potable water received from Distillation Plant..... | | | | | 25, 671, 700 |

GARBAGE AND RUBBISH HAULED

| | | | | | |
|-----------------|---------|---------|---------|---------|---------|
| St. Thomas..... | 30, 534 | 34, 884 | 43, 220 | 39, 990 | 97, 008 |
| St. Croix..... | 15, 300 | 17, 562 | 22, 950 | 40, 896 | 33, 058 |

NITE SOIL REMOVAL

| | | | | | |
|-----------------|----------|----------|----------|----------|----------|
| St. Thomas..... | 468, 192 | 469, 260 | 479, 520 | 458, 336 | 378, 950 |
| St. Thomas..... | 800 | 850 | 900 | 900 | 900 |
| St. Croix..... | 322, 000 | 312, 400 | 254, 280 | 242, 986 | 231, 000 |
| St. Croix..... | 460 | 500 | 489 | 433 | 375 |

MILES OF ROADS MAINTAINED

| | | | | | |
|------------------------------|-----|-----|-----|-----|-----|
| St. Croix..... | 170 | 170 | 170 | 170 | 170 |
| St. Thomas and St. John..... | 90 | 90 | 90 | 90 | 90 |

MILES OF STREETS MAINTAINED

| | | | | | |
|------------------------------|------|------|------|------|------|
| St. Croix..... | 16.4 | 16.4 | 16.4 | 16.4 | 16.4 |
| St. Thomas and St. John..... | 13 | 13 | 13 | 13 | 13 |

MILES OF OPEN DRAINS MAINTAINED

| | | | | | |
|-----------------|----|----|----|----|----|
| St. Thomas..... | 25 | 25 | 25 | 25 | 25 |
|-----------------|----|----|----|----|----|

Department of Social Welfare

General

The U.S. Social Security Act of 1943 provided a legal base for extending to the Virgin Islands several titles of the Federal Social Security program: in 1947, Child Welfare Services; in 1950, Public Assistance; in 1951, Old Age and Survivors Insurance; and in 1961, Unemployment Compensation.

The powers and responsibilities of the Department as established by the Virgin Islands Code included general authority over, and jurisdiction to administer, all public social welfare programs in the Virgin Islands; general control over the enforcement of the laws relating to social welfare; authority to make studies of, recommendations for, and develop plans and programs aimed at achieving a high level of social welfare throughout the territory.

In fiscal year 1962, consistent with the foregoing, the Department continued its Federal and insular activities and made much progress. However, local effort in Public Assistance was hampered by the limitation of Federal participation to \$320,000 for the year and the fact that the matching formula allowed only one Federal dollar to each Virgin Islands dollar instead of the much more liberal formula of four Federal dollars to each State dollar as is the case on the mainland of the United States.

Public Assistance

This program provided financial assistance to needy individuals and families so that none may be forced to exist below a minimum level of living; it rendered social services which would strengthen family life and assist them to attain self-support and self-care; it extended Medical Assistance to the Aged and OAA Recipients. In November 1961, the program was expanded to include the distribution of Federal Surplus Commodities.

During the year, the Department concentrated on analysis of the caseload in an effort to rehabilitate all possible employables, to establish eligibility on a prompt and sound basis and to improve services. The following table shows the caseload distribution and expenditures by category:

Caseload distribution by districts

| Category | Caseload St. Croix | July 1, 1961 St. Thomas- St. John | Added St. Croix | During year St. Thomas- St. John | Closed St. Croix | During year St. Thomas- St. John | Caseload St. Croix | June 3, 1961 St. Thomas- St. John |
|-------------|-----------------------|---|--------------------|--|---------------------|--|-----------------------|---|
| O.A.A.----- | 325 | 208 | 53 | 38 | 66 | 32 | 312 | 214 |
| A.D.C.----- | 198 | 67 | 87 | 69 | 65 | 51 | 214 | 85 |
| A.B.----- | 14 | 4 | 0 | 2 | 1 | 3 | 13 | 3 |
| D.A.----- | 60 | 41 | 3 | 3 | 16 | 4 | 57 | 38 |
| G.A.----- | 68 | 64 | 36 | 38 | 24 | 36 | 76 | 68 |
| E.A.----- | 0 | 0 | 27 | 65 | 27 | 65 | 0 | 0 |
| Total----- | 665 | 384 | 206 | 215 | 199 | 191 | 672 | 408 |

Comparison of caseloads and expenditures

| | Number of persons aided | | Expenditures | |
|-------------------------------------|-------------------------|-----------|--------------|--------------|
| | June 1961 | June 1962 | 1961 | 1962 |
| Old age assistance----- | 527 | 532 | \$183,554.78 | \$227,370.25 |
| Aid to dependent children----- | 865 | 1,043 | 169,649.15 | 205,507.85 |
| Aid to the blind----- | 19 | 16 | 6,199.02 | 6,499.00 |
| Aid to the disabled----- | 98 | 96 | 38,324.70 | 40,935.75 |
| General assistance----- | 124 | 140 | 39,192.48 | 56,449.41 |
| Medical assistance to the aged----- | 235 | 451 | 2,880.19 | 25,215.19 |
| | 1,868 | 2,278 | \$439,800.32 | \$561,977.45 |

The movement of this program during the past 6 years is reflected in the caseload changes noted in the following table:

Comparison of caseloads, 1957-62

| Number of Persons | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 |
|--------------------------------|-------|-------|-------|-------|-------|-------|
| Old age assistance----- | 659 | 620 | 584 | 561 | 527 | 532 |
| Aid to dependent children----- | 1,007 | 785 | 777 | 922 | 865 | 1,043 |
| Aid to the blind----- | 25 | 21 | 20 | 19 | 19 | 16 |
| Aid to the disabled----- | 105 | 103 | 101 | 107 | 98 | 96 |
| Total Federal categories----- | 1,796 | 1,529 | 1,482 | 1,609 | 1,509 | 1,687 |
| General Assistance----- | 139 | 128 | 118 | 107 | 124 | 140 |
| Grand total----- | 1,935 | 1,657 | 1,600 | 1,716 | 1,633 | 1,827 |

During the year, the program continued grants to assistance clients, who were not hospitalized, to cover medicines and medical appliances prescribed by physicians, clients received free hospitalization and medicines while they were in-patients of the public hospitals. This limited medical care program for assisting clients has been advantageously handled through the prepayment plan operated by the Department's pooled medical fund. Payments for medical care services in 1962 totaled \$60,211.85 as compared with \$9,979.34 in 1961. The large increase in 1962 is due to the new Medical Assistance to the Aged program.

Under the provisions of Act 651, Third Legislature, the Department of Social Welfare purchased medical care from the Department

of Health for individuals 65 years of age or older whose income and resources were not sufficient to meet the costs of necessary medical care whether or not they were receiving assistance for other needs. By June 30, 1962, 451 persons had received care and services under the program as compared with 288 persons in 1961.

Total expenditures under the Public Assistance program amounted to \$719,211.17, an increase of 25.2 percent over last year's \$574,612.54.

Federal matching funds this year amounted to \$308,317.31 as compared with \$251,154.02 for 1961. The local share of costs was \$410,894.47 this year and \$313,818.86 last year. The cost of Public Assistance over the past 5 years and the distribution of this between the Federal and local governments may be observed from the following charts:

Total cost of assistance program—1958-62

| Category | 1958 | 1959 | 1960 | 1961 | 1962 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Old age assistance..... | \$184,023.50 | \$199,824.92 | \$200,763.47 | \$222,690.29 | \$265,529.05 |
| Aid to dependent children..... | 142,857.27 | 151,113.88 | 182,509.79 | 213,981.57 | 256,519.50 |
| Aid to the blind..... | 7,721.27 | 7,637.51 | 8,005.86 | 7,941.73 | 8,041.52 |
| Aid to the disabled..... | 31,970.84 | 36,684.08 | 41,357.30 | 47,308.70 | 47,049.87 |
| Medical assistance to the aged..... | | | | 11,523.76 | 44,540.86 |
| Total Federal categories..... | 366,572.88 | 395,260.39 | 432,636.42 | 503,446.05 | 621,680.80 |
| General assistance..... | 47,849.63 | 49,911.84 | 49,092.69 | 60,047.77 | 76,655.70 |
| Trust funds..... | 561.00 | 586.00 | 822.00 | 716.00 | 1,132.75 |
| Emergency and special aid..... | 4,080.06 | 6,482.76 | 5,777.57 | 763.06 | 19,742.53 |
| Total local categories..... | 52,490.69 | 56,980.60 | 55,692.26 | 61,526.83 | 97,530.98 |
| Grand total..... | 419,063.57 | 452,240.99 | 488,328.68 | 564,972.88 | 719,211.78 |

Sharing of total cost of assistance program

| Agency | 1958 | 1959 | 1960 | 1961 | 1962 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Federal..... | \$182,108.91 | \$195,248.58 | \$216,116.23 | \$251,154.02 | \$308,317.31 |
| Local..... | 236,954.66 | 256,992.41 | 272,212.45 | 313,818.86 | 410,894.47 |
| Total..... | 419,063.57 | 452,240.99 | 488,328.68 | 564,972.88 | 719,211.78 |

Child Welfare Services

Adoption service, foster family care, day care and institutional care were provided for homeless, dependent, neglected or delinquent children. Particular emphasis was placed on services to children living in their own homes. The main objective in all instances, however, was to promote security for children and help them to grow and develop in a normal manner.

In 1962, casework service was provided to 906 children as compared with 756 last year. Below are tables showing the type of services and caseload distribution:

Caseload distribution by district offices

| | St. Croix | St. Thomas | Total |
|--|-----------|------------|-------|
| Children receiving service, July 1, 1961..... | 276 | 328 | 604 |
| Children accepted for service during year..... | 148 | 154 | 302 |
| Children receiving service, June 30, 1962..... | 389 | 343 | 732 |
| Total number of dependent children receiving services during year..... | 424 | 482 | 906 |

Whereabouts of children receiving service, June 30, 1962

| | St. Croix | St. Thomas | Total |
|---------------------------|-----------|------------|-------|
| In home of parents..... | 176 | 186 | 362 |
| In home of relatives..... | 68 | 29 | 97 |
| In boarding homes..... | 60 | 54 | 114 |
| In free foster homes..... | 33 | 20 | 53 |
| In adoptive homes..... | 6 | 15 | 21 |
| In institutions..... | 27 | 37 | 64 |
| Juvenile Center..... | 12 | | 12 |
| Elsewhere..... | 7 | 2 | 9 |
| Total..... | 389 | 343 | 732 |

Foster Family Care

The program continued actively during the year and remained one of the most encouraging operations. The foster care caseload was 188 of which 21 were in adoptive homes, 53 in free foster homes, and 114 in boarding houses.

Insular Training Schools

The schools continued to achieve heartening improvement in services and in child and staff morale. The Department of Education provided academic services to the schools through two full-time teachers. The Mental Health Bureau of the Department of Health provided psychological and psychiatric services to the children.

The Boys School maintained 69 boys, the average age being 14. Vocational projects such as poultry raising, gardening and animal husbandry were expanded. Fifteen boys attended high school in town.

The Girls School established in March 1958 cared for 17 girls at an average age of 15 years. Eight girls attended high school in town.

Detention facilities continued to be an area of great concern to the Department and to citizens of both islands. A temporary center for delinquent boys 16 to 21 years of age is still in operation at the fort in Frederiksted. Funds were appropriated for the construction of a Detention Center in St. Thomas and construction plans are being completed. During the year 49 children were in detention care as compared with 110 in 1961.

Other Services

In 1962, there were 28 adoption petitions processed and 10 placements completed. The "Fresh-Air Fund," a private undertaking, permitted 200 needy boys to attend camp in St. John. Four Day-Care Centers are now established and plans have been initiated for opening one in St. John. An average of 47 children per month ranging from two months to four and a half years used this service. The Citizens Advisory Commission on Youth organized Youth Councils in each island and worked throughout the year on White House Conference projects related to promoting youth participation in community affairs. Proceedings of the Governor's Conference on Juvenile Delinquency held in February 1961 were published during 1962.

The Child Welfare program is summarized in the following tables:

Cost of child welfare program

| | Insular | St. Croix | St. Thomas | Virgin Islands |
|-----------------------------|------------|-------------|------------|----------------|
| Local funds: | | | | |
| Child welfare services..... | \$964.84 | \$17,441.33 | \$7,943.70 | \$26,349.87 |
| Foster home payments..... | | 23,096.99 | 25,420.37 | 48,517.36 |
| Insular training schools: | | | | |
| For boys..... | 106,574.09 | | | 106,574.09 |
| For girls..... | 17,718.97 | | | 17,718.97 |
| Day care centers..... | | 1,608.85 | 10,735.70 | 12,344.55 |
| | 125,257.90 | 42,147.17 | 44,099.77 | 211,504.84 |
| Federal funds: | | | | |
| Child welfare services..... | 18,243.54 | 19,046.92 | 19,695.51 | 56,985.97 |
| Grand total..... | 143,501.44 | 61,194.09 | 63,795.28 | 268,490.81 |

Cost of child welfare program—1958-62

| | 1958 | 1959 | 1960 | 1961 | 1962 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| Local funds: | | | | | |
| Child welfare services..... | \$23,640.89 | \$12,970.82 | \$16,976.96 | \$24,295.74 | \$26,349.87 |
| Foster home payments..... | 28,306.48 | 32,869.42 | 34,386.30 | 48,060.60 | 48,517.36 |
| Insular training schools: | | | | | |
| For boys..... | 54,013.33 | 66,293.77 | 67,265.29 | 81,014.53 | 106,574.09 |
| For girls..... | 7,550.98 | 13,898.29 | 16,271.45 | 19,037.51 | 17,718.97 |
| Day care centers..... | | | 3,374.95 | 11,980.51 | 12,344.55 |
| | 113,511.68 | 126,032.30 | 138,274.95 | 184,388.89 | 211,504.84 |
| Federal funds: | | | | | |
| Child welfare services..... | 33,273.78 | 29,139.89 | 49,442.59 | 50,707.72 | 56,985.97 |
| Grand total..... | 146,785.45 | 165,172.19 | 187,717.54 | 235,096.61 | 268,490.81 |

Division of Institutions and Special Programs

Homes for the Aged

St. Thomas.—The Queen Louise Home, an institution of 24 beds and facilities, provided custodial care for the aged and infirm. There were 7 admissions, 5 deaths and at year's end 18 persons were in resi-

dence. More adaptable quarters and an activity program remain prime needs at the Home. The feeblers residents have difficulty negotiating the stairways between the dining and bath rooms on the lower floor and the dormitories on the upper floor. Plans have been developed to construct a new wing and add 18 beds, sanitary facilities, a laundry and storage space.

The Corneiro Home is a shelter care home of 25 rooms. There were no admissions, 1 death and 1 discharge, leaving 32 residents at year's end. The buildings are old and need extensive rehabilitation.

St. Croix.—The Aldersville Home is a shelter care home of 31 rooms. There were 3 admissions, 1 death, 2 transfers, leaving 30 residents at year's end. All cottages were repaired and painted.

The Herbert Grigg Home for the Aged, an institution of 140 bed capacity, formerly administered by the Department of Health, was transferred to the Department of Social Welfare on January 1, 1962. There were 6 admissions, 7 deaths, and 2 discharges, leaving 106 residents at year's end. Full custodial care was provided for all residents. Extensive repairs were made to the main building; new beds were ordered; an administrator, matron, and a physician were added to the staff; diet and care were improved. The quality of care has been greatly improved by an increase in nursing, housekeeping and custodial service. More adequate care and a more nutritive diet gave a decided boost to the morale of staff and patients.

Special Program

Cancer Care.—It was necessary to continue to send Virgin Islands patients, referred by the Department of Health, for care at the Puerto Rico Cancer League. There were 12 new cases in St. Croix and 8 in St. Thomas. This program is financed by the Community Chest, Government Funds and Lottery appropriations.

Services to the Mentally Ill.—A limited amount of casework service was provided for mental patients, under institutional care, while they were hospitalized in the Virgin Islands and after being discharged. The Division continued to have responsibility for planning and arranging the return of mental patients from St. Elizabeths Hospital, Washington, D.C., where 133 persons were hospitalized. During the year 15 studies on mental patients were completed. Fourteen were residents of St. Elizabeths Hospital and 1 of a New York State hospital. One patient returned from St. Elizabeths Hospital and was provided with aftercare services.

Emergency Housing.—The building boom continues to create difficulty for low-income tenants who find it increasingly impossible to find suitable quarters within their capacity to pay. The local legis-

lature made funds available to the Department of Social Welfare to assist with this problem through the construction of Emergency Housing. During the year, four eight-room units were built bringing the total prefabricated houses to 20. The following chart shows the progress of the program in St. Thomas:

Report of emergency housing

| | Total families | Men | Women | Girls | Boys | Infants | Total persons |
|------------------------------------|----------------|-----|-------|-------|------|---------|---------------|
| St. Thomas: | | | | | | | |
| Applications pending July 1, 1961 | 369 | 260 | 401 | 442 | 459 | 95 | 1,655 |
| Received during year | 118 | 91 | 120 | 114 | 118 | 66 | 509 |
| Closed during year | 23 | 15 | 27 | 26 | 33 | 17 | 118 |
| Applications pending June 30, 1962 | 464 | 336 | 494 | 30 | 4 | 44 | 908 |
| Persons housed July 1, 1961 | 33 | 29 | 39 | 57 | 61 | 14 | 200 |
| Housed during year | 18 | 14 | 21 | 23 | 28 | 15 | 101 |
| Moved during year | 1 | 1 | 1 | 1 | 3 | 0 | 6 |
| Total housed June 30, 1962 | 50 | 42 | 59 | 79 | 86 | 29 | 295 |
| St. Croix: | | | | | | | |
| Applications pending July 1, 1961 | 54 | 23 | 48 | 54 | 43 | 1 | 169 |
| Received during year | 205 | 152 | 172 | 208 | 225 | 35 | 792 |
| Closed during year | 21 | 15 | 14 | 22 | 21 | 6 | 78 |
| Applications pending June 30, 1962 | 238 | 160 | 206 | 240 | 247 | 30 | 883 |
| Total housed July 1, 1961: | | | | | | | |
| Housed during year | 85 | 53 | 60 | 69 | 78 | 20 | 280 |
| Moved during year | 5 | 5 | 2 | 1 | 6 | 0 | 14 |
| Total housed June 30, 1962 | 80 | 48 | 58 | 68 | 72 | 20 | 266 |

In St. Croix, the emergency situation was met by renovating 13 old units and leasing 56 units from the Virgin Islands Corporation.

Surplus Food Distribution Program.—The distribution of Federal surplus commodities to needy individuals, hospitals, Homes for the Aged, Baby Clinics and other institutions began on July 5, 1961. The initial caseloads of 1,936 persons increased to 2,385 at year end. The following chart shows the kind and amount of commodities received and the wholesale and retail value thereof:

Federal surplus commodities received

| Commodity | Pounds | Wholesale Value | Retail Value |
|-------------------------|---------|-----------------|--------------|
| Cornmeal | 71,885 | \$5,031.95 | \$6,469.65 |
| Wheat flour | 84,030 | 6,722.40 | 8,403.00 |
| Dry pea and pinto beans | 45,319 | 4,531.90 | 8,610.71 |
| Lard | 49,068 | 7,360.20 | 12,267.00 |
| Rollod oats | 20,052 | 2,406.24 | 7,618.20 |
| Chopped meat | 46,421 | 20,425.24 | 27,709.44 |
| Milk | 134,392 | 26,878.40 | 88,698.72 |
| Rice | 102,054 | 10,205.40 | 16,328.64 |
| Butter | 5,071 | 3,042.60 | 5,071.00 |
| Cheese | 16,303 | 9,781.80 | 11,901.19 |
| Rollod wheat | 16,380 | 1,965.60 | 4,586.40 |
| Total | 590,975 | 98,351.73 | 197,063.95 |

Community Chest

The 1962 drive was highly successful in that the goal of \$15,000 was surpassed by pledges and contributions in the amount of \$16,972.05. The following is a summary of traditional Chest services provided during this fiscal year:

| Program | Cost | Services rendered |
|--|--------------|----------------------------------|
| Housekeeping and laundry..... | \$2, 651. 52 | 2,715 cleanings—1,119 pieces. |
| Home nursing..... | 4, 508. 96 | Increased caseload. |
| Cancer care..... | 2, 667. 00 | Hospital bills and travel costs. |
| Emergency needs..... | 482. 30 | Cash grants, furniture, etc. |
| Special aid to patients in institutions. | 502. 00 | Monthly grants, etc. |
| Homemaker service—St. John..... | 348. 96 | Care of aged. |

Expenditures

The growth of the Department of Social Welfare may be summarized in the following chart which shows appropriations by the local legislature for social welfare over the past five fiscal years:

Operating budget—Local appropriations

| | 1958 | 1959 | 1960 | 1961 | 1962 |
|--|-----------|-----------|-----------|-----------|-----------------------|
| Office of the Commissioner..... | \$23, 600 | \$24, 400 | \$27, 000 | \$29, 977 | \$30, 032 |
| Bureau of Business Management..... | 38, 200 | 40, 000 | 41, 628 | 45, 614 | 67, 039 |
| Division of Public Assistance..... | 211, 000 | 214, 800 | 254, 558 | 308, 558 | 376, 781 |
| Division of Child Welfare..... | 113, 400 | 118, 000 | 138, 275 | 172, 487 | 199, 163 |
| Division of Institutions and Special Programs..... | 39, 700 | 40, 000 | 70, 600 | 91, 030 | ¹ 192, 142 |
| | 425, 900 | 437, 200 | 532, 061 | 647, 696 | 865, 157 |

¹ Herbert Grigg Home for the Aged transferred from the Department of Health to Social Welfare on January 1, 1962.

Human Relations

The Legislature of the Virgin Islands at the end of the fiscal year 1961 enacted and the Governor approved an amended and comprehensive civil rights code for the Virgin Islands, intended to guarantee to every citizen of the Virgin Islands, whether native-born or adopted, the equal and full enjoyment of all rights and privileges of all other citizens of the Virgin Islands, regardless of race, creed, color, or national origin.

The Governor also appointed the Governor's Commission on Human Relations to work toward promoting and keeping good will among all the citizenry of these islands to the end that the Virgin Islands may remain a place where every citizen or group of citizens may continue to retain the dignity of person and respect of his fellow citizens, and where all groups may work and live together in harmony.

good will and mutual respect. This Commission has settled and adjusted complaints without publicity and in a spirit of fairness and good will.

The local communities are mindful that the true goal of a democratic society is the fair and equal treatment of all its citizens and that this fair and equal treatment must be carried forward in a spirit of good will and harmonious relations.

Public Utilities Commission

The work of the Public Utilities Commission was greatly intensified during the past year. In addition to dock facility and bus transportation rates and regulations already under regulation of the Public Utilities Commission, the Virgin Islands telephone system which was transferred in an earlier year by government franchise to private ownership, came under Public Utilities Commission regulation. The new Virgin Islands Telephone Corp. was formed, and a completely new automatic dial telephone system was being installed in all three islands of St. Thomas, St. Croix, and St. John at a total cost in the neighborhood of \$5,000,000 to commence operations about December 1, 1962.

This new development placed upon the Public Utilities Commission the responsibility to determine many vital questions for the operation of the new public utility, including among many others: (1) Fair capital structure allowance; (2) revenue needed for operational expenses; (3) revenue requirements needed above operational expenses for return on capital investment; (4) rate of fair return on capital investment; and (5) ultimately the actual telephone rates authorized to be charged its customers.

Hearings held by the Virgin Islands Public Utilities Commission lasted many months. Both sides presented voluminous evidence and expert testimony by many witnesses. These hearings were completed and orders entered for the first year of the new operation, the rates to take effect upon the cut-over date to the new system.

Selective Service Operations

The registration during the year of 445 men attaining age 18 raised the total Selective Service registrants to 5,329, covering ages 18 to 39. Since 1958, new registrations have been increasing steadily year by year, from 274 in 1958 to 307 in 1959, 376 in 1960, 380 in 1961, and to 445 in 1962. The higher birth rate experienced during World War II is now being reflected in this augmented manpower reserve.

Approximately 2,000 men have entered active military service since 1950; 1,379 having been inducted through the Selective Service process, others entering by direct enlistment.

Two local boards serving: (1) St. Thomas and St. John; and (2) St. Croix, met monthly to complete 1,036 classification actions, none of which were appealed.

Preinduction physical examinations were administered to 156 registrants at Armed Forces examining stations. Of these, 66 were found acceptable and 90 failed to qualify for induction. Over a period of 5 years, no particular trend is interpreted from the results as indicated below. The marked difference in the acceptability rate occurring between 1959-60 is due to the adoption of more critical testing standards.

| Years | 1958 | 1959 | 1960 | 1961 | 1962 |
|---------------|--------|--------|---------|--------|--------|
| Examined..... | 149 | 123 | 223 | 126 | 156 |
| Accepted..... | 76—51% | 67—54% | 82—37% | 43—34% | 66—42% |
| Rejected..... | 73—49% | 56—46% | 141—63% | 83—66% | 90—58% |

The induction quota of 57 was oversubscribed by 8. Of the 65 registrants entering the United States Army, 61 were volunteers. Additionally, 57 entered the service by enlistment or reenlistment, resulting in a net of 122 entries against a net of 119 separations from the service.

As larger numbers of standby Reservists completed their military obligations during the year, the total of 128 at year's end reflected a net loss of 102 from last year's total of 230. Of the 128 remaining, 62 or 48 percent have been determined available for recall to active duty in the armed services in the event of a national emergency.

The system is maintained by five compensated civilian employees and 25 uncompensated employees comprising boards and advisory groups.

Virgin Islands Employment Service

The Virgin Islands Employment Service, an independent agency under the Office of the Governor, is financed by grants from the United States Department of Labor, Bureau of Employment Security. The Insular Administrative Office is located in Charlotte Amalie. Local employment offices are in Charlotte Amalie and in Christiansted, and a branch office serves the town of Frederiksted. Itinerant service is provided the island of St. John by the local office in Charlotte Amalie.

Included in the program of activities during fiscal year 1962 were the following:

1. Placement services
2. Reports and analysis and labor market information
3. Counseling, testing and related services to industry and labor
4. Farm placement services
5. Unemployment insurance programs

Placement Services

Total nonagricultural placements for the year ending June 30, 1962 were 4,346. This was an increase of 854 or approximately 24.5 percent above the previous year. The comparative distribution by major occupational classes was as follows:

| | 1962 | 1961 | Percent change |
|---------------------------------------|-------|-------|-------------------|
| Total nonagricultural placements..... | 4,346 | 3,492 | 24.5 |
| Professional and clerical..... | 413 | 470 | -12.1 |
| Service..... | 1,549 | 1,139 | 35.9 |
| Skilled and semiskilled..... | 909 | 802 | 13.3 |
| Unskilled and other..... | 1,475 | 1,081 | 36.4 |

From the above it is apparent that nonagricultural placements during fiscal year 1962 showed a significant climb above the previous fiscal year in all occupational categories with the exception of professional and clerical work.

The supplemental labor force continued to be drawn from the British West Indian islands. In this connection, 11,039 nonagricultural job openings were certified during the year for the employment of foreign nationals. Nonagricultural certifications during the 1962 fiscal year increased by 2,957 or approximately 36.6 percent over the previous fiscal period.

A total of 1,553 agricultural certifications were issued during fiscal year 1962. These were largely for agricultural workers in St. Croix including harvest hands for the cutting of the sugar cane crop.

Reports and Analysis and Labor Market Information

During the year two studies of prevailing wage rates in the hotel industry were completed, one for the St. Croix labor market area and the other for the St. Thomas-St. John labor market area. The prevailing rates disclosed by these studies were utilized in the placement program and served as a basis for fixing wage standards for the employment of foreign nationals in this industry. These studies are being extended to other industries and a review of the wage rate structure will be conducted periodically.

Counseling, Testing and Related Services to Industry and Labor

Occupational testing continued to provide an effective arm for selection and referral of job applicants. During the year a total of 496 tests were administered. Of these, 245 were general aptitude test batteries, 138 specific aptitude tests and 113 proficiency tests.

The Job Counseling and Career Guidance program has become increasingly important in the placement of job applicants in a rapidly changing economy characterized by a sharp industrial growth. A total of 865 counseling interviews were conducted during the year.

As a part of its expanded program of service to special groups, the Virgin Islands Employment Service found jobs for 101 veterans and ex-servicemen and placed 32 handicapped persons in gainful employment during the year. An increased number of youths utilized the employment service facilities during the year. General aptitude tests were given to 195 high school students in the islands, and 656 applicants under 20 years of age were placed in jobs during the year. Services to our senior citizens included the placement of 380 workers 45 years of age and over, of which 366 were between 45 and 65 years and 14 at 65 and over.

Farm Placement Service

A highlight of the farm placement program was the completion and publication in April 1962 of the St. Thomas and St. John Agricultural Manpower Requirements Survey. The study disclosed current agricultural manpower requirements for the area and projected agricultural employment needs to 1964.

A comprehensive program for the improvement of housing facilities for agricultural workers was activated. Through various public media, correspondence and field inspections, the agency successfully completed its campaign which resulted in a marked renovation of agricultural housing quarters in the territory.

Territorial Unemployment Insurance Program

The territory's most important step forward was taken when the Governor signed into law a program of unemployment insurance for the Islands, effective October 1, 1961. The law established an unemployment compensation service within the Virgin Islands Employment Service. A reserve fund is being established and benefits will be payable starting in January 1964.

Federal Unemployment Insurance Activities

During the fiscal year just concluded, the Virgin Islands Employment Service administered the Federal programs for the payment of benefits to former Federal employees (UCFE), and ex-servicemen (UCX). Benefits were also paid under the provisions of the Temporary Extended Unemployment Compensation Act (TEUC) to persons who had exhausted benefits under the UCS and UCFE programs. In terms of dollars paid out in benefits, there was no significant change from fiscal year 1961.

*Municipal Courts**St. Thomas and St. John*

During the year, 4,470 cases were disposed of. Divisionally, they are as follows, including preliminary hearings:

| | |
|---|--------|
| Criminal Division..... | 2, 610 |
| Conciliation Division..... | 393 |
| Civil Division..... | 470 |
| Small Claims Division..... | 693 |
| Juvenile and Domestic Relations Division..... | 304 |
| Total | 4, 470 |

Two hundred and seventy-seven applications were made for marriage licenses. Of these 266 marriages were reported as follows:

| | |
|-----------------------------------|-----|
| Anglican Church..... | 32 |
| Apostolic Faith..... | 3 |
| Calvary Baptist Church..... | 4 |
| Church of God..... | 3 |
| District Court..... | 2 |
| Lutheran Church..... | 23 |
| Methodist Church..... | 50 |
| Moravian Church..... | 42 |
| Municipal Court..... | 54 |
| Pilgrim Holiness Church..... | 1 |
| Reformed Church..... | 3 |
| Roman Catholic Church..... | 45 |
| Seventh Day Adventist Church..... | 4 |
| Total | 266 |

During the year there were three Coroner's inquests held. In each case the deceased was found to have met his death through accidental means, or causes for which no one was criminally responsible.

Major repair to the roof of the courtroom and offices has been accomplished.

The total cost of operating the Municipal Court was \$33,222.04. A total of \$25,389.00 was collected from court fines, notary fees, court costs and fees, and other miscellaneous charges.

St. Croix

A total of 2,509 cases were disposed of in the Municipal Court of St. Croix as follows:

| | |
|---|-------|
| Preliminary hearings..... | 63 |
| Criminal cases..... | 474 |
| Civil cases..... | 278 |
| Small claims cases..... | 214 |
| Traffic cases..... | 967 |
| Juvenile and domestic relation cases..... | 192 |
| Conciliation cases..... | 321 |
| Total | 2,509 |

The overall increase of cases terminated during the year just ended as compared with those terminated in the previous year is 433 cases, or approximately 21 percent.

There were 159 marriage licenses issued. A total of 137 marriages were reported as follows:

| | |
|-----------------------------------|-----|
| Roman Catholic Church..... | 39 |
| Municipal Court..... | 35 |
| Moravian Church..... | 15 |
| Anglican Church..... | 14 |
| Lutheran Church..... | 10 |
| A.M.E. Church..... | 9 |
| Baptist Church..... | 4 |
| Seventh Day Adventist Church..... | 4 |
| Pentecostal Church..... | 3 |
| Pilgrim Holiness Church..... | 2 |
| Spanish Methodist Church..... | 1 |
| Church of God..... | 1 |
| Total | 137 |

The Municipal Court of St. Croix collected revenues totalling \$16,974.15 from notary fees, miscellaneous police and court fees, court fines, forfeitures, court costs and other charges, representing an increase of approximately 45 percent over the court's revenues of the preceding year.

The total cost of operating the Municipal Court of St. Croix was \$39,452.38.

Conclusion

The record of solid progress, outlined in this Annual Report, reflects clearly the maturity, responsibility, ability and capacity of the people. This should also bring closer to realization the aspirations of the people for fuller self-government. The people of the islands have shown that they can run a responsible government. Virgin Islanders in the legislative branch of the Government have presented a fine record of responsible and forward looking legislation. Virgin Islanders in the executive branch of the Government likewise have demonstrated their ability and dedication as the departmental reports herein summarized will show.

The Governor firmly believes that Congress will in the not too distant future recognize and grant the aspirations of the people of the Virgin Islands to elect their own Governor and to be represented in Washington by a delegate to the Congress.





